UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

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

(Mark One)

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

For the fiscal year ended December 28, 2013

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: 1-12203

Ingram Micro Inc.

(Exact name of Registrant as Specified in its Charter)

Delaware	**62-1644402**
(State or Other Jurisdiction of Incorporation or Organization)	*(I.R.S. Employer Identification No.)*

1600 E. ST. ANDREW PLACE, SANTA ANA, CALIFORNIA 92705

(Address, including Zip Code, of Principal Executive Offices)

(714) 566-1000

(Registrant's telephone number, including area code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Each Class:	**Name of Each Exchange on Which Registered:**
Class A Common Stock, Par Value $.01 Per Share	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

None

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

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

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 for such 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 ☑ No ☐

Indicate by check mark whether 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 ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.101 of this chapter) 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. ☐

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 "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer ☑ Accelerated Filer o Non-Accelerated Filer o Smaller Reporting Company o

(Do not check if a smaller reporting company)

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

The aggregate market value of the voting stock held by non-affiliates of the registrant as of the last business day of the registrant's most recently completed second fiscal quarter, at June 29, 2013, was $2,799,244,706 based on the closing sale price on such last business day of $18.99 per share.

The registrant had 154,558,016 shares of Class A Common Stock, par value $0.01 per share, outstanding at January 25, 2014.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the Proxy Statement for the registrant's Annual Meeting of Shareholders to be held June 4, 2014 are incorporated by reference into Part III of this Annual Report on Form 10-K.

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PART I

ITEM 1. BUSINESS

The following discussion includes forward-looking statements, including but not limited to, management’s expectations of competition; market share; revenues, margin, expenses and other operating results or ratios; economic conditions; vendor terms and conditions; deployment of enterprise systems; pricing strategies and customer terms and conditions; organizational effectiveness program and related restructuring, integration and other reorganization costs; process and efficiency enhancements; cost savings; cash flows; working capital levels and days; capital expenditures; liquidity; capital requirements; acquisitions and integration costs; operating models; exchange rate fluctuations and related currency gains and losses; resolution of contingencies; seasonality; interest rates and expenses; and rates of return. In evaluating our business, readers should carefully consider those factors discussed under “Risk Factors.” We disclaim any duty to update any forward-looking statements. Unless otherwise stated, all currency amounts, other than per share information, contained in Parts I and II are stated in thousands.

Our Background

Ingram Micro Inc., a Fortune 100 company, is the largest wholesale technology distributor, by net sales, and a global leader in supply-chain management and mobile device lifecycle services. We distribute and market a large variety of technology and mobility products from leading companies, such as Acer, Apple, Cisco, Citrix, Hewlett-Packard (“HP”), IBM, Lenovo, Microsoft, Samsung, Symantec, VMware and many others. As a vital link in the technology value chain, we create sales and profitability opportunities for vendors, resellers and other customers through unique marketing programs; outsourced logistics and mobile device lifecycle solutions; technical support; financial services; product aggregation and distribution; solutions creation and cloud service models.

We began business in 1979, operating as Micro D Inc., a California corporation. Through a series of acquisitions, mergers and organic growth, we have expanded and strengthened our global footprint, product breadth and service capabilities. In recent years, our acquisitions have been primarily focused on global expansion of our higher-value product and service offerings. In 2012, we made major strides in expanding our presence in areas of strategic focus through the following acquisitions: Brightpoint, Inc. (“BrightPoint”), the global leader in mobile device lifecycle services; certain information technology ("IT") distribution businesses of Aptec Holdings Ltd. (“Aptec”), a Dubai-based value-added distributor in the Middle East and Africa ("MEA") region; and Promark Technology Inc. (“Promark”), a U.S.-based, value-added distributor focused on sales to government customers. During 2013, we completed acquisitions that strengthen our capabilities in supply-chain services and cloud-based solutions, including: Shipwire, Inc. (“Shipwire”), a leading provider of e-commerce fulfillment services for small-to-medium-sized businesses (“SMB”), CloudBlue Technologies, Inc. (“CloudBlue”), a global leader in enterprise information technology asset disposition (“ITAD”), onsite data destruction and e-waste recycling services and SoftCom, Inc. (“SoftCom”), a leading cloud marketplace and global service provider offering domain name management, web hosting and cloud infrastructure. Our focus is on profitably growing and optimizing our core IT distribution business, expanding the reach of our acquired operations, building upon our established services business and continuing to make strategic investments in higher-margin services and solutions.

Where We Are

We have operations in 39 countries, spanning all global regions: North America (United States and Canada), Europe (Austria, Belgium, Denmark, France, Finland, Germany, Hungary, Italy, the Netherlands, Norway, Poland, Portugal, Slovakia, Spain, Sweden, Switzerland and the United Kingdom), Asia-Pacific (which includes MEA) (Australia, the People’s Republic of China (including Hong Kong), Egypt, India, Indonesia, Israel, Lebanon, Malaysia, New Zealand, Singapore, South Africa, Thailand, Turkey and United Arab Emirates) and Latin America (Brazil, Chile, Colombia, Mexico and Peru). We also operate support centers in Argentina, Bulgaria, Costa Rica, India, Philippines and Puerto Rico. Additionally, we serve many other markets where we do not have an in-country presence through our various export sales offices, including our general telesales operations in numerous markets. We sell our products and services to a global customer base of more than 200,000 customers in more than 170 countries. Based on currently available data, we believe that we are the market share leader in technology distribution, by net sales, in North America and Latin America, and number two in Europe and Asia-Pacific.

Our Strengths

We believe that the current technology industry generally favors large, financially-sound distributors that have broad product portfolios, economies of scale, strong business partner relationships and wide geographic reach. Our conservative approach to working capital management, as well as our diversified portfolio of capital resources, serves us well in the current credit markets. Our financial strength enables us to provide valuable credit to our customers, while employing a disciplined approach to managing accounts and determining creditworthiness. Our financial position provides us with a competitive advantage as a reliable, long-term business partner for our suppliers, resellers and other customers. Our value is in enabling these partners to become more efficient, knowledgeable and profitable. We believe there is a growing demand for additional services and solutions from companies that already have an established global presence and existing infrastructure, which is why we are strategically focused on increasing our capabilities in these areas.

Our diversification strategy continues to provide us with new growth opportunities while reducing our dependence on our current set of partners and markets. We believe that we are the only global broad-based technology distributor with distribution operations in every region and offer the largest breadth of products in our industry. Our extensive global coverage, breadth of product and solution offerings and wide range of business partners reduce the risks from volatility and demand fluctuations in a single market, vendor or product segment.

What We Do

IT Distribution — We buy, hold title to, and sell technology products and services to resellers who, in turn, typically sell directly to end-users or other resellers. Resellers build efficiencies and reduce costs by relying on Ingram Micro for product availability, marketing, credit, training and enablement, technical support and inventory management. Our distribution services are tailored to meet the needs of resellers serving a wide range of end-users, including consumers, SMBs, public sector entities and large enterprises. We offer programs and services designed to support value-added resellers (“VARs”) that serve as technology sources for the SMB market. The SMB end-user segment is generally one of the largest segments of the IT market in terms of number of customers and total dollars spent annually, and typically provides higher gross margins for distributors as it is more challenging for suppliers to penetrate directly. We support Internet-based resellers through expanded line card offerings and customized, personalized delivery directly to their end-user customers. We are advancing our presence in the higher-value segment of the IT market and we have added products, services and capabilities, as well as associates with the requisite technical skills to broaden our portfolio of higher-value technology solutions. Our expanded capabilities and portfolio enable our resellers to capture opportunities in areas such as the data center market, enterprise computing, storage solutions, virtualization, enterprise software, unified communications, networking and security. By strengthening our position in higher-value product categories, our resellers are able to provide end-users with more complete solutions, augmenting IT products with other categories such as automatic identification and data capture (“AIDC”), point-of-sale (“POS”), physical security, consumer electronics (“CE”), professional audio visual, digital signage products and energy-saving technologies.

Mobility — Our end-to-end mobile device lifecycle capabilities utilize multi-disciplinary expertise to solve the challenges of many of the world’s leading mobile technology manufacturers, network operators, retailers and value-added resellers. Our position within the mobile ecosystem allows us to provide leading value-added distribution and customized supply chain solutions. We create value through distribution services focused on portfolio management, credit management, channel development and marketing with personalized attention to account management. The portfolio of products we offer includes smartphones, tablets, machine-to-machine, companion products and accessories. Supply-chain solutions offered include forward and reverse logistics, SIM kitting, customization services (device configuration, software/application loading, customized packaging and flashing), eBusiness (e-commerce platform, IT integration and hosted web stores on demand), airtime activation, managed financial services, advanced planning and trade-in programs. Our device lifecycle services are designed to create solutions that lower transportation costs, extend market reach, maximize value recovered from returned devices and provide complete visibility of products as they move through the supply chain. Customers include network operators, mobile virtual network operators ("MVNOs"), manufacturers, retailers, etailers, and value-added resellers.

Supply-Chain Services — Our expertise in logistics enables us to extend our business beyond traditional distribution and technology products. We offer fee-based supply-chain services, encompassing the end-to-end functions of the supply-chain to vendors choosing to sell direct. Likewise, we offer fee-based services to retailers and Internet resellers seeking fulfillment services, inventory management, reverse logistics and other supply-chain services. Our supply-chain services are designed to enable our customers to better compete by reducing their costs, improving their asset efficiency and increasing the quality of service to their customers. During 2013, we complemented our supply-chain services with the acquisition of two logistics service providers. Shipwire, which provides a suite of e-commerce supply-chain services, offers SMB e-commerce customers fast and low-cost onboarding and access to top e-commerce logistics platforms. Shipwire’s platform capabilities will also be available to serve our medium- and large-brand customers by reducing onboarding time and complexity. CloudBlue expands our supply-chain solutions portfolio with a suite of services that are intended to reduce the risk, cost and complexity associated with securely managing IT assets and consumer electronics through their lifecycle in compliance with environmental and data security regulations. CloudBlue's offering also improves the reverse logistics supply chain of our customers.

Cloud — We have aggregated approximately 200 cloud solutions from more than 70 vendors on a global basis. These solutions span virtually every solution category. Our resellers in certain geographic markets can access our catalog of cloud solutions and tailor cloud offerings to fit the business needs of their end-user customers. New cloud solutions are assessed to ensure quality and reliability before becoming part of our cloud services portfolio. We provide tools and support to assist resellers in providing cloud services to their customers. The acquisition of SoftCom provides our resellers with a single portal to manage cloud solutions for their end customers. The acquisition also delivers domain name management, search optimization and Web design and hosting. Originally a North American initiative, we have launched cloud services to varying degrees in a number of geographies and are rolling out our program globally. We expect to broaden our cloud services portfolio in line with market demand. By leveraging our cloud services offerings, resellers avoid the investments necessary for independent service deployment while enjoying a recurring revenue stream.

Who Our Customers Are

We conduct business with most of the leading resellers of IT products and services around the world and with many of the world's leading mobility companies. Our broad customer base is divided into categories which include VARs, corporate resellers, retailers, custom installers, systems integrators, mobile network operators, MVNOs, direct marketers, Internet-based resellers, independent dealers, product category specialists, reseller purchasing associations, managed service providers, cloud providers, PC assemblers, independent agents and dealers, IT and mobile device manufacturers and other distributors. Many of our customers are heavily dependent on partners with the necessary systems, capital, inventory availability, and distribution facilities in place to provide fulfillment and other services. We try to reduce our exposure to the impact of business fluctuations by maintaining a balance in the customer categories we serve.

In most cases we conduct business with our customers under our general terms and conditions, without minimum purchase requirements. We also have resale contracts with our reseller customers that are terminable at will after a reasonable notice period and have no minimum purchase requirements. We generally sell our products pursuant to customer purchase orders and subject to our terms and conditions. We generally ship products on the same day orders are accepted from the customer. Unless otherwise requested, substantially all of our products are delivered by common freight carriers. Backlog is generally not material to our business because orders are generally filled shortly after acceptance. We have specific agreements in place with certain manufacturers and resellers in which we provide supply-chain management services such as order management, technical support, call center services, logistics management, configuration management, and procurement management services. These agreements generally may be terminated by either party without cause following reasonable notice. The service offerings we provide to our customers are discussed further below under "What Services We Provide." Our mobility supply-chain services are typically provided pursuant to agreements with terms between one and three years and generally may be terminated by either party subject to a short notice period.

Our business is not substantially dependent on any of these distribution or supply chain services contracts. No single customer accounted for more than 10% of our total revenue in fiscal 2013.

How We Sell and Market

We employ sales representatives and technical specialists worldwide, both in the field and on our campuses, who assist resellers with product specifications and solution design, system configuration, new product/service introductions, pricing, and availability. In addition, our sales representatives regularly introduce our reseller partners to new technologies and markets in order to assist them in expanding their business.

Our product management and marketing groups help create demand for our suppliers' products and services, enable the launch of new products, and facilitate customer contact. Our marketing programs are tailored to meet specific supplier and reseller customer needs. These needs are met through a wide offering of services by our in-house marketing organizations, including advertising, direct mail campaigns, market research, online marketing, retail programs, sales promotions, training, solutions marketing, and assistance with trade shows and other events. We also provide marketing programs for specific industries and vertical markets, including healthcare and government. In addition, we also create and utilize specialized channel marketing communities to deliver focused resources and business building support to solution providers.

What Products We Distribute and Market

We distribute and market hundreds of thousands of technology products worldwide from the industry's premier computer hardware suppliers, mobility hardware suppliers, networking equipment suppliers, software publishers, and other suppliers of computer peripherals, CE, AIDC/POS and physical security products. Based on publicly available information, we believe we offer the largest breadth of products in our industry. Product assortments vary by market, and the suppliers' relative contribution to our sales also varies from country to country. We are focused on building our presence in those product categories and solutions that will benefit from key growth trends, such as the continuing technology shift to mobile devices and the need for enterprise computing solutions to handle the growing data center market.

Over the past several years, our IT distribution product category revenues on a consolidated basis have generally been within the following ranges:

• ***IT Peripherals:***	*35-40%*
• ***Systems:***	*30-35%*
• ***Software:***	*12-17%*
• ***Networking:***	*12-17%*

The BrightPoint mobility business is reported separately and has been part of our company since fourth quarter of 2012. It represented 11% of our total net revenue in 2013.

IT Peripherals. We offer a variety of products within the peripherals category that fall within several sub-categories:
- traditional IT peripherals such as printers, scanners, displays, projectors, monitors, panels, mass storage, and tape;
- digital signage products such as large format liquid-crystal and plasma displays, enclosures, mounts, media players, content software, content creation, content hosting, and installation services;
- CE products such as digital cameras, digital video disc players, game consoles, televisions, audio, small appliances, media management and home control;
- AIDC/POS products such as barcode/card printers, AIDC scanners, AIDC software, and wireless infrastructure products;
- physical security products such as Internet protocol video surveillance, security alarm systems, fire alarm systems, access control smart cards and printers;
- services provided by third parties and resold by Ingram Micro such as engineering contract-labor services and extended coverage warranties;
- component products such as processors, motherboards, hard drives, and memory; and
- supplies and accessories such as ink and toner supplies, paper, carrying cases, and anti-glare screens.

Systems. We define our systems category as self-standing computer systems capable of functioning independently. We offer a variety of systems, such as rack, tower and blade servers; desktops; and portable personal computers and tablets.

Software. We define our software category as a broad variety of applications containing computer instructions or data that can be stored electronically. We offer a variety of software products, such as business application software, operating system software, entertainment software, middleware, developer software tools, security software (firewalls, intrusion detection, and encryption), storage software and virtualization software.

Networking. Our networking category includes networking hardware, communication products and network security hardware. Networking hardware includes switches, hubs, routers, wireless local area networks, wireless wide area networks, network interface cards, cellular data cards, network-attached storage and storage area networks. Communication products incorporate Voice over Internet Protocol (or VoIP), communications, modems, phone systems and video/audio conferencing. Network security hardware includes firewalls, Virtual Private Networks (or VPNs), intrusion detection, and authentication devices and appliances.

Mobility. Our mobility category includes mobile handsets, tablets, navigation devices, aircards, SIM cards, flash memory, and other mobile companion products, including health and fitness bands, wearables and app-cessories that reside within our BrightPoint mobility business.

What Services We Provide

We offer a variety of services to our customers and suppliers, and, in some instances, to end-users on behalf of our customers. Our services may be purchased individually or in combination with other services, or they may be provided along with our product sales. Our services include:
- *supply-chain services* (product procurement, inventory management, order management and fulfillment, postponement, reverse logistics, transportation management, call center and customer care, credit and collection management services, enterprise IT asset disposition, data destruction and e-waste recycling services);
- *integration services* (compatibility assurance, order configuration, drop ship to end-users);
- *technical support* (real-time, multi-vendor support; certified technical expertise; technology help desks; pre-sales consultative support);
- *training services* (manufacturer-certified, self-study and instructor-led training courses for resellers and end-users);
- *financial and credit services* (credit lines extended to resellers and to end-users on behalf of resellers, end-user leasing programs);

- *marketing services* (targeted marketing activities including direct mail, external media advertising, telemarketing campaigns, national and regional trade shows, web-based marketing);
- *e-commerce services* (electronic data interchange- (or EDI-), extensible markup language- (or XML-) and web-based electronic links to reseller customers to enable electronic transactions), e-commerce fulfillment services;
- *managed services through both in-house and third-party products* (help desk services, remote infrastructure management, hosting services, security services, business continuity and domain name management);
- *cloud services through both in-house and third-party products* (communication and collaboration services, security services, infrastructure services, business applications and platform services, cloud management services);
- *managed print services* (automatic supplies replenishment, remote printer maintenance monitoring, help desk, equipment lease options);
- *professional services* (IT staffing solutions, warranty services, virtualization and wireless assessment, search engine optimization and web design); and
- *mobility logistics services (*procurement, inventory management, software loading, kitting and customized packaging, fulfillment, credit services, receivables management, call center services, activation services, website hosting, e-fulfillment solutions, repair, refurbish and recycle services, reverse logistics, transportation management, sale of prepaid airtime).

Although services continue to represent one of the key components of our long-term strategy and can drive a disproportionate share of profits related to revenue contribution, they represented less than 10% of our annual revenues in 2013.

Who Our Suppliers Are

We sell the products of approximately 1,400 suppliers, which represent most of the world's leading computer hardware, networking equipment, mobility, AIDC/POS, and CE manufacturers and software publishers. Products purchased from HP generated approximately 15%, 18%, and 21% of our consolidated net sales in fiscal years 2013, 2012 and 2011, respectively and products purchased from Apple Inc. generated approximately 10% of our consolidated net sales in 2012. There were no other vendors that represented 10% or more of our net sales in any of the last three years. The year-over-year decreases in products purchased from these vendors, as a percentage of net sales, for the periods discussed above reflects the higher mix of products purchased from other vendors as a result of changes in the market in general and our acquisition of BrightPoint which does not have significant products purchased from these vendors.

Our suppliers generally provide warranties on the products we distribute and allow returns of defective products, including those returned to us by our customers. We generally do not independently provide warranties on the products we distribute; however, local laws may impose warranty obligations upon distributors (such as in the case of supplier liquidation). In certain markets we administer extended warranty programs, supported by a third party, on supplier products. We provide warranty services for products that we build to order from components purchased from other sources. Provision for estimated warranty costs is recorded at the time of sale and periodically adjusted to reflect actual experience. Historically, warranty expense has not been material.

We have written distribution agreements with many of our suppliers and these agreements usually provide for nonexclusive distribution rights and often include territorial restrictions that limit the countries in which we may distribute the products. Some of our agreements with our suppliers may contain limitations of liability to our suppliers' obligations and warranties. The agreements also are generally short-term, subject to periodic renewal, and often contain provisions permitting termination by either party without cause upon relatively short notice. Certain distribution agreements either require (at our option) or allow for the repurchase of inventory upon termination of the agreement. In cases where suppliers are not obligated to accept inventory returns upon termination, some suppliers will nevertheless elect to repurchase the inventory while other suppliers will assist with either liquidation or resale of the inventory.

Who Our Competitors Are

Each geographic region in which we operate (North America, Europe, Asia-Pacific and Latin America) is highly competitive. Competitive factors vary in importance with the type of product, service or solution offered. In addition to pricing, other competitive factors include:

- ability to tailor specific solutions to customer needs;
- availability of technical and product information;
- effectiveness of information systems;
- credit terms and availability;
- effectiveness of sales and marketing programs;
- products and services availability;
- quality and breadth of product lines and services;
- speed and accuracy of delivery;

- availability of web- or call center-based sales;
- e-commerce capabilities;
- partner connectivity support; and
- web-integrated configuration, renewal and bidding tools.

We compete against broad-based IT distributors such as Tech Data and Synnex Corporation. There are a number of specialized competitors that focus on one market or product or a particular sector with which we compete. Examples include Avnet and Arrow in components and enterprise products; Westcon in networking and security; D&H Distributing, ADI, and Petra in consumer electronics; and ScanSource, BlueStar and Jaritech (Europe) in AIDC/POS products. While we face some competitors in more than one region, others are specialized in local markets, such as Synnex Technology International (Asia-Pacific), Digital China (China), Redington (India, MEA), Express Data (Australia and New Zealand), Intcomex (Latin America), Esprinet (Italy and Spain), ALSO-Actebis Holding AG (Europe) and Metra Group (MEA). Our mobile device distribution competitors include Brightstar (all regions), Aerovoice (North America), Cellnet Group Ltd. (Asia-Pacific), Tech Data Mobile (Europe) and Celistics (Latin America). Examples of competitors in specific mobility service areas include Foxconn (North America and Latin America) in repair, refurbish and recycle services; Avenir S.A. (Europe) in activation services and Incomm (North America and Latin America) in prepaid airtime. We believe that suppliers, resellers and other customers pursuing global strategies continue to seek distributors with global sales and support capabilities.

The evolving direct-sales relationships between manufacturers, resellers, and end-users continue to introduce change into our competitive landscape. We compete, in some cases, with hardware suppliers and software publishers that sell directly to reseller customers and end-users. However, we may become a business partner with these companies by providing supply-chain services optimized for the IT market. Additionally, as consolidation occurs among certain reseller segments and customers gain market share and build capabilities similar to ours, certain resellers, such as direct marketers, may become our competitors. As some manufacturer and reseller customers move their back-room operations to distribution partners, such outsourcing and value-added services may become areas of opportunity. There has been an accelerated movement among transportation and logistics companies to provide many of these fulfillment and e-commerce supply-chain services. Within this arena, we face competition from major transportation and logistics suppliers such as DHL, Menlo Worldwide Logistics and UPS Supply Chain Solutions. Our competitors in mobile logistics services include Brightstar (all regions), GENCO-ATC (North America and Latin America) and Arvato Logistics Services (Europe). The expansion of our supply-chain services generates new sources of competition. For example, in the ITAD services segment that we entered through our acquisition of CloudBlue, we face competitors ranging from global companies, such as Sims Recycling Solutions, to regional service providers (e.g., GEEP) and those with niche specialties (e.g., ITRenew). With our acquisition of Shipwire, we face competitors such as Fulfillment by Amazon and Webgistix (acquired by Rakuten).

The advent of cloud computing, or software-, platform- and infrastructure-as-a-service, provides another means for suppliers to deliver technology solutions directly to end-users and bypass the IT distribution channel. IT distributors are developing initiatives to remain relevant as this, and other alternative delivery models, evolve. We have developed service offerings designed to enable resellers to offer cloud computing solutions to end-users and will continue to refine service offerings around new delivery models.

We are constantly seeking to expand our business into areas closely related to our IT product distribution, mobile device lifecycle services, supply-chain services and cloud businesses. As we enter new business areas, we may encounter increased competition from current competitors and/or from new competitors, some of which may be our current customers and/or suppliers.

Our Business is Affected by Seasonality

We experience some seasonal fluctuation in demand in our business. For instance, we typically see lower demand, particularly in Europe, in the summer months. We also normally see an increase in demand in the September-to-December period, driven primarily by pre-holiday impacts on stocking levels in the retail channel and on volume of business for our North American fee-based logistics services.

How We Manage Our Inventory

We strive to maintain sufficient quantities of product inventories to achieve optimum order fill rates. Our business, like that of other distributors, is subject to the risk that the value of our inventory will be impacted adversely by suppliers' price reductions or by technological changes affecting the usefulness or desirability of the products comprising the inventory. It is the policy of many suppliers of technology and mobility products to offer distributors limited protection from the loss in value of inventory due to technological change or a supplier's price reductions. When protection is offered, the distributor may be restricted to a designated period of time in which products may be returned for credit or exchanged for other products or during which price protection credits may be claimed. We continually take various actions, including monitoring our inventory levels and controlling the timing of purchases, to maximize our protection under supplier programs and reduce our inventory risk. However, no assurance can be given that current protective terms and conditions will continue or that they will adequately protect us against declines in inventory value, or that they will not be revised in such a manner as to adversely impact our ability to obtain price protection. In addition, suppliers may become insolvent and unable to fulfill their protection obligations to us. We are subject to the risk that our inventory values may decline and protective terms under supplier agreements may not adequately cover the decline in values. In addition, we distribute a small amount of private label products for which price protection is not customarily contractually available, for which we do not normally enjoy return rights, and for which we bear certain increased risks. We manage these risks through pricing and continual monitoring of existing inventory levels relative to customer demand, reflecting our forecasts of future demand and market conditions. On an ongoing basis, we reduce inventory values for excess and obsolescence to assist in the liquidation of impacted inventories.

Inventory levels may vary from period to period, due, in part, to differences in actual demand from that forecasted when placing orders, the addition of new suppliers or new lines with current suppliers, expansion into new product areas and strategic purchases of inventory. In addition, payment terms with inventory suppliers may vary from time to time, and could result in fewer inventories being financed by suppliers and a greater amount of inventory being financed by our capital. Our payment patterns can be influenced by incentives, such as early pay discounts offered by suppliers.

Our Trademarks and Service Marks

We own or license various trademarks and service marks, including, among others, "Ingram Micro," the Ingram Micro logo, "V7" (Video Seven), "VentureTech Network," "AVAD," "Vantex," "BrightPoint" and "Aptec." Certain of these marks are registered, or are in the process of being registered, in the United States and various other countries. Even though our marks are not registered in every country where we conduct business, in many cases we have acquired rights in those marks because of our continued use of them.

Our Employees

As of December 28, 2013, we employed approximately21,800 associates worldwide (as measured on a full-time equivalent basis). Certain of our employees in Europe, Asia-Pacific and Latin America are subject to union representation, collective bargaining or similar arrangements. Our success depends on the talent and dedication of our associates, and we strive to attract, hire, develop, and retain outstanding associates. We believe we realize significant benefits from having a strong and seasoned management team with many years of experience in the IT and related industries.

Our Corporate Social Responsibility

We introduced our Corporate Social Responsibility initiative three years ago, solidifying our commitment to being an outstanding corporate citizen in all aspects of our business, including prudent stewardship of our resources, limiting our impact on the environment and maintaining a safe and respectful workplace. Our associates worldwide continue to show their commitment to saving energy, reducing paper consumption and contributing their time, skills and financial resources to our communities. Our sustainability commitment is formally captured on our corporate website and in our publicly available baseline annual report (*www.ingrammicro.com/smartcitizen*).

Regulatory Matters

The following disclosure is being made in accordance with Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012:

During the quarter ended March 29, 2014, we learned that Aptec, our wholly-owned non-U.S. subsidiary, made two sales during the quarter ended March 30, 2013, to a reseller which identified its intended customer as Iranian Hospital, which is located in Dubai, United Arab Emirates. These sales by our subsidiary to the reseller consisted of technology products resulting in revenue to us of approximately $15, with net profits of substantially less than that.

Iranian Hospital is operated by the Iranian Red Crescent Society, a humanitarian aid organization that is a member organization of the International Red Cross and Red Crescent Federation ("IFRC"). According to its Fundamental Principles, the IFRC requires that all of its member organizations remain autonomous from government actors. The IFRC has informed us that it does not consider the Iranian Red Crescent Society to be an Iranian government entity, and that to its knowledge, the Iranian Red Crescent Society is a non-governmental organization with its own general assembly and governing board that is elected and independent of the government. Neither Iranian Hospital nor the Iranian Red Crescent Society appears on the list of "specially designated nationals and blocked persons" maintained by the Office of Foreign Assets Control ("OFAC"). However, OFAC has recently given us oral guidance that it believes the Iranian Red Crescent Society to be wholly owned by the Government of Iran and accordingly part of the Government of Iran. We have blocked further sales to resellers where Iranian Hospital or Iranian Red Crescent Society is identified as their customer.

As of the date of this report, we are not aware of any other activity, transaction or dealing by us or any of our affiliates during the fiscal year ended December 28, 2013 that requires disclosure in this report under Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012.

Available Information

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended. We therefore file periodic reports, proxy statements and other information with the Securities and Exchange Commission (the "SEC"). Such reports may be obtained by visiting the Public Reference Room of the SEC at 100 F Street, NE, Washington, D.C. 20549. Information on the operation of the Public Reference Room can be obtained by calling the SEC at (800) SEC-0330. In addition, the SEC maintains an Internet site (www.sec.gov) that contains reports, proxy and information statements and other information.

Financial and other information can also be accessed through our website at *www.ingrammicro.com*. There, we make available, free of charge, copies of our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished as soon as reasonably practicable after filing such material electronically or otherwise furnishing it to the SEC. The information posted on, or accessible through, our website is not incorporated into this Annual Report on Form 10-K.

EXECUTIVE OFFICERS OF THE COMPANY

The following list of executive officers of Ingram Micro is as of February 14, 2014.

Alain Monié. Mr. Monié, age 63, has been our chief executive officer since January 20, 2012. He rejoined the company as our president and chief operating officer on November 1, 2011, after a year as chief executive officer of APRIL Management Pte., a multinational industrial company based in Singapore. Prior to his role at APRIL Management Pte., Mr. Monié served as president and chief operating officer of Ingram Micro from 2007 to 2010. He joined Ingram Micro in February 2003 as executive vice president, and served in that role and as president of Ingram Micro Asia-Pacific from January 2004 to August 2007. He spent more than two years as president of the Latin American Division of Honeywell International. He joined Honeywell through the corporation's merger with Allied Signal Inc., where he built a 17-year career on three continents, progressing from a regional sales manager to head of Asia-Pacific operations from October 1997 to December 1999. Mr. Monié has been a member of the Board of Directors of Amazon.com, Inc. since November 2008, and was elected to the Board of Ingram Micro in November 2011. Mr. Monié was a member of the Board of Directors of Jones Lang LaSalle from October 2005 to May 2009.

Paul Read. Mr. Read, age 47, has been our president and chief operating officer of Ingram Micro Inc. since September 2013. Mr. Read also served as a Board member on the Ingram Micro Board of Directors from September 2012 to September 2013. Mr. Read was with Flextronics Inc. from June 1995 to June 2013 and served as chief financial officer and executive vice president of Flextronics from June 2008 to May 2013. Prior to that he held various finance executive roles including executive vice president of finance for Flextronics' worldwide operations. Prior to joining Flextronics in 1995, Mr. Read held various senior financial positions in the United Kingdom with Allied Steel and Wire, STI Telecommunications and Associated British Foods.

Bill Humes. Mr. Humes, age 49, is our chief financial officer and has served in this role since April 2005. Mr. Humes also served as chief operating officer from April 2012 to September 2013. Mr. Humes served as senior vice president and chief financial officer designee from October 2004 to March 2005, corporate vice president and controller from February 2004 to October 2004, vice president, corporate controller from February 2002 to February 2004 and senior director, worldwide financial planning, reporting and accounting from September 1998 to February 2002. Prior to joining Ingram Micro, Mr. Humes was a senior audit manager at PricewaterhouseCoopers LLP.

Larry Boyd. Mr. Boyd, age 61, is our executive vice president, secretary and general counsel and has served in this role since March 2004. He previously served as senior vice president, U.S. legal services, for Ingram Micro North America from January 2000 to February 2004. Prior to joining Ingram Micro, he was a partner with the law firm of Gibson, Dunn & Crutcher from January 1985 to December 1999.

Shailendra Gupta. Mr. Gupta, age 51, is our senior executive vice president and president of mobility, and has served in this role since August 2013. Mr. Gupta previously served as senior executive vice president and president of Ingram Micro Asia-Pacific from January 2008 to July 2013. Mr. Gupta served as our senior vice president, Ingram Micro Asia-Pacific from August 2007 to January 2008. Prior to joining Ingram Micro, Mr. Gupta spent nine years with Tech Pacific Group, starting in 1995 as managing director of India, then in 2001 was promoted to chief executive officer. Mr. Gupta joined Ingram Micro in 2004 as chief operating officer of Ingram Micro Asia-Pacific when Ingram Micro acquired Tech Pacific. Prior to Tech Pacific, Mr. Gupta spent ten years with Godrej & Boyce Manufacturing Co. Ltd., India, a large diversified Indian conglomerate, where he held various managerial positions including manufacturing plant responsibility.

Lynn Jolliffe. Ms. Jolliffe, age 61, is our executive vice president, human resources and has served in this role since July 2007. Ms. Jolliffe served as vice president of human resources for the North American region from October 2006 until June 2007. She previously served as the vice president of human resources for the European region from March 1999 to May 2007. Prior to Ingram Micro, she served in various executive roles in Canada with Holt Renfrew Ltd. and White Rose Limited.

Ernie Park. Mr. Park, age 61, has been our senior executive vice president and chief information officer since December 2013. Mr. Park previously served as vice president and chief information officer at 3M Corporation from 2008 to 2013, senior vice president and chief information officer at Select Comfort Corporation from 2006 to 2008, vice president and chief information officer for Maytag Corporation from 2000 to 2006, vice president and chief information officer of global business services at AlliedSignal, and later with Honeywell International, following AlliedSignal's acquisition of Honeywell from 1996 to 2000.

ITEM 1A. RISK FACTORS

CAUTIONARY STATEMENTS FOR PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

The Private Securities Litigation Reform Act of 1995 (the "Act") provides a "safe harbor" for "forward-looking statements" to encourage companies to provide prospective information, so long as such information is identified as forward-looking and is accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those discussed in the forward-looking statement(s). Ingram Micro desires to take advantage of the safe harbor provisions of the Act.

Our periodic and current reports filed with the Securities and Exchange Commission, periodic press releases, and other public documents and statements, may contain forward-looking statements. Forward-looking statements may be preceded by, followed by or include the words "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "will," "is designed to" and similar expressions. Forward-looking statements in this Annual Report on Form 10-K may include, for example, management's expectations of competition; market share; revenues, margin, expenses and other operating results and ratios; economic conditions; vendor terms and conditions; deployment of enterprise systems; pricing strategies and customer terms and conditions; organizational effectiveness program and related restructuring, integration and other reorganization costs; process and efficiency enhancements; cost-savings; cash flows; working capital levels and days; capital expenditures; liquidity; capital requirements; acquisitions and integration costs; operating models; exchange rate fluctuations and related currency gains or losses; resolution of contingencies; seasonality; interest rates and expenses; and rates of return, as well as other statements regarding our future operations, financial condition and prospects, and business strategy. In addition, our representatives may participate in speeches and calls with market analysts; conferences, meetings and calls with investors and potential investors in our securities; and other meetings and conferences. Some of the information presented in these calls, meetings and conferences may also be forward-looking. We disclaim any duty to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Described below and throughout this report are certain risks that could affect our business, financial results and results of operations. These risk factors should be considered in connection with evaluating your investment in our company because these factors could cause our actual results and conditions to differ materially from our historical performance or those projected in our forward-looking statements. Before you invest in our company, you should know that making such an investment involves risks, including the risks described below. The risks that have been highlighted here are not the only ones that we face. There may be additional risks that are not presently material or known. 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 could decline, and you may lose all or part of your investment.

RISK FACTORS

Our acquisition and investment strategies may not produce the expected benefits, which may adversely affect our results of operations. We have made, and may continue to make, acquisitions or investments in companies around the world to further our strategic objectives and support key business initiatives. Acquisitions and investments involve risks and uncertainties, some of which may differ from those associated with our historical operations. For example, in 2012 and 2013 we acquired BrightPoint, a global leader in mobile device lifecycle services; Aptec, a Dubai-based value-added distributor in the Middle East and Africa, with products and solutions covering data center, storage, security, networking and software categories, including technical services; Promark, a value-added distributor in the U.S. with a core technology focus on data storage, data management and electronic document imaging products and services; Shipwire, a leading provider of e-commerce fulfillment services for SMBs, CloudBlue, a global leader in enterprise ITAD, onsite data destruction and e-waste recycling services and SoftCom, a leading cloud marketplace and global service provider offering domain name management, web hosting and cloud infrastructure.

Significant risks and uncertainties related to our acquisition and investment strategies which could materially and adversely affect our financial performance include the following:

- distraction of management's attention away from normal business operations while coordinating and integrating a geographically dispersed organization;
- insufficient profit generation to offset liabilities assumed and expenses associated with the strategy;
- inability to successfully integrate the acquired businesses, which may be more difficult, costly or time-consuming than anticipated, including inability to retain key employees, difficulties with integrating different business systems and technology platforms and consolidating corporate, administrative, technological and operational infrastructures;
- inability to preserve our and the acquired company's customer, supplier and other important relationships;
- inability to adapt to challenges of new markets, including geographies, products and services, or to identify new profitable business opportunities from expansion of existing products or services;
- inability to adequately bridge possible differences in cultures and management philosophies;
- exposure to new regulations, such as those relating to U.S. federal government procurement regulations, those in new geographies or those applicable to new products or services;
- substantial increases in our debt; and
- issues not discovered in our due diligence process.

In addition, we may divest business units that do not meet our strategic, financial and/or risk tolerance objectives. No assurance can be given that we will be able to dispose of business units on favorable terms or without significant costs.

We are dependent on a variety of information systems, which, if not properly functioning and available, or if we experience system security breaches, data protection breaches, or other cyber-attacks, could adversely disrupt our business and harm our reputation and net sales. We depend on a variety of information systems for our operations, many of which are proprietary, which have historically supported many of our business operations such as inventory and order management, shipping, receiving, and accounting. Because most of our information systems consist of a number of internally developed applications, it can be more difficult to upgrade or adapt them compared to commercially available software solutions.

We are currently in the process of migrating our operations from our legacy proprietary system that was developed in the late-1980s to SAP in a phased, country-by-country approach. We have deployed SAP in several operations globally beginning in 2009, with our most recent deployment in early 2013 in Colombia. Due to challenges in our earlier round of implementations, additional deployments have been on hold as we continue to address certain improvements within the system to better address our internal and customer needs. We are continuing to evaluate our schedule for deploying the enterprise system in additional locations. While we will adjust the deployment schedule as required to best serve our customers, we can make no assurances that we will not have disruptions, delays and/or negative business impacts from forthcoming deployments.

Any disruptions, delays or deficiencies in the design and implementation of the new ERP system, or in the performance of our legacy systems could adversely affect our ability to effectively run and manage our business and potentially our customers' ability to access our price and product availability information or place orders. Portions of our IT infrastructure also may experience interruptions, delays or cessations of service or produce errors in connection with systems integration or migration work that takes place from time to time. We may not be successful in implementing new systems and transitioning data, which could cause business disruptions and be more expensive, time consuming, disruptive and resource-intensive. Such disruptions could adversely impact our ability to fulfill orders and interrupt other processes. We may also be limited in our ability to integrate any new business that we may acquire. If our information systems do not allow us to transmit accurate information, even for a short period of time, to key decision makers, the ability to manage our business could be disrupted and the results of operations and our financial condition could be adversely affected. Failure to properly or adequately address these issues could impact our ability to perform necessary business operations, which could adversely affect our reputation, competitive position, business, results of operations and financial condition.

We also rely on the Internet for a significant percentage of our orders and information exchanges with our customers. The Internet, in general, and individual websites have experienced a number of disruptions, slowdowns and security breaches, some of which were caused by organized attacks. To date, we do not believe that our website and systems have experienced any material breakdowns, disruptions or breaches in security; however, we cannot assure that this will not occur in the future. If we were to experience a security breakdown, disruption or breach that compromised sensitive information, this could harm our relationships with our customers, suppliers or associates; impair our order processing; or more generally prevent our customers and suppliers from accessing information, which could cause us to lose business. Experienced computer programmers and hackers may be able to penetrate our network security and misappropriate or compromise our confidential information or that of third parties, create system disruptions or cause shutdowns. In addition, sophisticated hardware and operating system software and applications that we procure from third parties may contain defects in design or manufacture, including “bugs” and other problems that could unexpectedly interfere with the operation of the system. The costs to us to eliminate or alleviate cyber or other security problems, bugs, viruses, worms, malicious software programs and security vulnerabilities could be significant, and our efforts to address these problems may not be successful and could result in interruptions, delays, cessation of service and loss of existing or potential customers that may impede our sales, distribution or other critical functions.

We manage and store various proprietary information and sensitive or confidential data relating to our business. In addition, we routinely process, store and transmit large amounts of data for our partners, including sensitive and personally identifiable information. Breaches of our security measures or the accidental loss, inadvertent disclosure or unapproved dissemination of proprietary information or sensitive or confidential data about us or our customers, including the potential loss or disclosure of such information or data as a result of fraud, trickery or other forms of deception, could expose us, our customers or the individuals affected to a risk of loss or misuse of this information, result in litigation and potential liability for us, damage our brand and reputation or otherwise harm our business. In addition, the cost and operational consequences of implementing further data protection measures could be significant. Such breaches, costs and consequences could adversely affect our business, results of operations or cash flows.

Changes in macroeconomic conditions can affect our business and results of operations. Our revenues, profitability, financial position and cash flows, are highly dependent on the broader movements of the macroeconomic environment. For example, our results of operations have been and continue to be adversely affected by the difficult conditions experienced in the global economy in recent periods. Economic weakness and uncertainty, including the ongoing macroeconomic challenges in many countries globally and the debt crisis in certain countries in the European Union, have resulted, and may result in the future, in decreased revenue, margins and earnings; difficulty managing inventory levels and collecting customer receivables; decreased availability of trade credit from suppliers or decreased capital availability through debt and similar financing from external parties. In addition, sustained uncertainty about current global economic conditions, continued negative economic trends or instability, or another recession, may negatively impact our business, leading to:

- reduced demand for products in general;
- more intense competition, which may lead to loss of sales and/or market share;
- reduced prices, and lower gross margin;
- loss of vendor rebates;
- extended payment terms with customers;
- increased bad debt risks;
- shorter payment terms with vendors;
- reduced access to liquidity and higher financing and interest costs;
- increased currency volatility making hedging more expensive and more difficult to obtain; and
- increased inventory losses related to obsolescence and/or excess quantities.

Each of these factors, individually or in the aggregate, could adversely affect our results of operations, financial condition and cash flows. The economic downturn may also lead us to take additional restructuring actions and reduce associated expenses in response to the lower sales volume. We may not be able to adequately adjust our cost structure in a timely fashion to remain competitive, which may cause our profitability to suffer.

Our European distribution operations contributed 25% to our net revenue in 2013. The European Union is currently in a prolonged period of economic uncertainty. Policy disagreement between countries regarding challenges such as fiscal and financial risk sharing have become more pronounced. If a member nation of the European Union were to default on its national debt, the resulting financial turmoil could disrupt liquidity markets and materially hamper our or our business partners’ ability to access capital and materially adversely affect our business and financial results. Other income and expense could vary materially from expectations depending on changes in interest rates, borrowing costs, currency exchange rates, hedging expenses and the fair value of derivative instruments.

Failure to retain and recruit key personnel would harm our ability to meet key objectives. Because of the nature of our business, which includes a high volume of transactions, business complexity, wide geographical coverage, and a broad scope of products, suppliers, and customers, we are highly dependent on our ability to retain the services of our key management, sales, IT, operational, and finance personnel. Our continued success is also dependent upon our ability to retain and recruit other qualified employees, including highly skilled technical, managerial, and marketing personnel, to meet our needs. Competition for qualified personnel is intense. We may not be successful in attracting and retaining the personnel we require, which could have a material adverse effect on our business. In addition, we have, from time to time, reduced our personnel levels in various geographies and functions, in response to economic, business and other factors, through our restructuring and outsourcing activities. These reductions could negatively impact our relationships with our workforce, or make hiring other employees more difficult. In addition, failure to meet performance targets for the company may result in reduced levels of incentive compensation, which may affect our ability to retain key personnel. Additionally, changes in our workforce, including those resulting from government regulations, collective bargaining agreements or the availability of qualified personnel, could disrupt operations or increase our operating cost structure.

Our failure to adequately adapt to industry changes could negatively impact our future operating results. The technology and mobility products industry is subject to rapid technological change, new and enhanced product specification requirements, evolving industry standards and changes in the way technology products are distributed and/or managed. We have been and will continue to be dependent on innovations in hardware, software and services offerings, as well as the acceptance of those innovations by customers. A decrease in the rate of innovation, or the lack of acceptance of innovations by customers, could have an adverse effect on our business, results of operations or cash flows. Suppliers may also give us limited or no access to new products being introduced.

Changes may cause inventory in stock to decline substantially in value or to become obsolete, regardless of the general economic environment. Although it is the policy of many suppliers of products to offer distributors like us, who purchase directly from them, limited protection from the loss in value of inventory due to technological change or such suppliers' price reductions ("price protection"), if major suppliers decrease the availability of price protection to us, such a change in policy could lower our gross margins on products we sell or cause us to record inventory write-downs. In addition, suppliers could become insolvent and unable to fulfill their protection obligations to us. We offer no assurance that price protection will continue, that unforeseen new product developments will not adversely affect us, or that we will successfully manage our existing and future inventories.

Significant changes in supplier terms, such as higher thresholds on sales volume before distributors may qualify for discounts and/or rebates, the overall reduction in the amount of incentives available, reduction or termination of price protection, return levels, or other inventory management programs, or reductions in payment terms or trade credit, or vendor-supported credit programs, may adversely impact our results of operations or financial condition.

Finally, if we were not able to adequately adapt to the emergence of alternative means of distribution for software and hardware, such as site licenses, electronic distribution and cloud computing, our future operating results could be adversely affected.

We continually experience intense competition across all markets for our products and services. Our competitors include local, regional, national, and international distributors, as well as suppliers that employ a direct-sales model. As a result of intense price competition in the IT and mobility products and services distribution industry, our gross margins have historically been narrow and we expect them to continue to be narrow in the future. In addition, when there is overcapacity in our industry, our competitors may reduce their prices in response to this overcapacity.

The competitive landscape has also experienced a consolidation among suppliers and customers and this trend is expected to continue, which could result in a reduction or elimination of promotional activities by the remaining suppliers or customers as they seek to reduce their expenditures, which could, in turn, result in decreased demand from end-users and our reseller customers for our products or services. Additionally, the past several years have witnessed a consolidation within the mobile operator community, and this trend is expected to continue. This trend could result in a reduction or elimination of promotional activities by the remaining mobile operators as they seek to reduce their expenditures, which could, in turn, result in decreased demand for our products or services. Moreover, consolidation of mobile operators reduces the number of potential contracts available to us and other providers of logistic services. We could also lose business or face price pressures if mobile operators that are our customers are acquired by other mobile operators that are our customers or not our customers.

We offer no assurance that we will not lose market share, or that we will not be forced in the future to reduce our prices in response to the actions of our competitors and thereby experience a reduction in our gross margins. Furthermore, to remain competitive we may be forced to offer more credit or extended payment terms to our customers. This could increase our required capital, financing costs, and the amount of our bad debt expenses.

We have also initiated and expect to continue to initiate other business activities and may face competition from companies with more experience and/or from new entrants in those markets. As we enter new areas of business or geographies, or we expand our offerings of new products or vendors, we may encounter increased competition from current competitors and/or from new competitors, some of which may be our current customers or suppliers, which may negatively impact our sales or profitability.

We have operations in 39 countries, spanning all global regions and sell our products and services to a global customer base of more than 200,000 customers in more than 170 countries. Based on currently available data, we believe that we are the market share leader in technology distribution, by net sales, in North America and Latin America, and number two in Europe and Asia-Pacific. We are subject to competition law regulations in the markets which we serve. Our market share may further adversely impact our ability to expand our business, as well as increase compliance requirements and costs associated with such compliance.

We operate a global business that exposes us to risks associated with conducting business in multiple jurisdictions. Sales outside the United States, made up approximately 63% of our net revenue in 2013. In addition, an increasing portion of our business activity is being conducted in emerging markets, including China and India. As a result, our future operating results and financial condition could be significantly affected by risks associated with conducting business in multiple jurisdictions, including, but not limited to, the following:

- trade protection laws, policies and measures;
- import and export duties, customs levies and value-added taxes;
- compliance with foreign and domestic import and export regulations and anticorruption laws, including the Iran Threat Reduction and Syria Human Rights Act of 2012, U.S. Foreign Corrupt Practices Act, or similar laws of other jurisdictions for our business activities outside the U.S., the violation of which could result in severe penalties including monetary fines, criminal proceedings and suspension of export privileges;
- laws and regulations regarding consumer and data protection, privacy, network security, encryption and payments;
- managing compliance with legal and regulatory requirements and prohibitions, including compliance with local laws and regulations that differ or are conflicting among jurisdictions;
- environmental laws and regulations, such as those relating to product disposal;
- differing employment practices and labor issues;
- political instability, terrorism and potential military conflicts or civilian unrest; economic instability in a specific country or region;
- earthquakes, power shortages, telecommunications failures, water shortages, tsunamis, floods, hurricanes, typhoons, fires, extreme weather conditions, medical epidemics or pandemics and other natural or manmade disasters or business interruptions in a region or specific country;
- complex and changing tax laws and regulations in various jurisdictions;
- potential restrictions on our ability to repatriate funds from our foreign subsidiaries; and
- difficulties in staffing and managing international operations.

The potential criminal penalties for violations of import/export regulation, data privacy, anti-corruption and competition laws, particularly the U.S. Foreign Corrupt Practices Act, and data privacy laws and environmental laws and regulations in many non-U.S. jurisdictions, create heightened risks for our international operations. In the event that a governing regulatory body determined that we have violated any of these laws, including applicable import/export regulations or anti-corruption laws, we could be fined significant sums, incur sizable legal defense costs and/or our import/export capabilities could be restricted, which could have a material and adverse effect on our business and reputation.

Additionally, we have been and expect to continue to be subject to new and increasingly complex U.S. and non-U.S. government regulations that affect our operations in the U.S. and globally. These regulations could result in increased costs to implement processes necessary to comply or such compliance could result in the reduction of the level of business we can effectively process.

While we have and will continue to adopt measures designed to promote compliance with these laws, we cannot assure you that such measures will be adequate or that our business will not be materially and adversely impacted in the event of an alleged violation.

We are also exposed to market risk primarily related to foreign currencies and interest rates. In particular, we are exposed to changes in the value of the U.S. dollar versus the local currency in which the products are sold and goods and services are purchased, including devaluation and revaluation of local currencies. Since more than half of our sales are from countries outside of the United States, other currencies, including, but not limited to, the euro, British pound, Chinese yuan, Indian rupee, Australian dollar, Mexican peso, and Brazilian real, can have an impact on Ingram Micro's results (expressed in U.S. dollars).

In particular, the uncertainty with respect to the ability of certain European countries to continue to service their sovereign debt obligations and the related European financial restructuring efforts may cause the value of the euro and other European currencies to fluctuate. Currency variations also contribute to variations in sales of products and services in impacted jurisdictions. For example, in the event that one or more European countries were to replace the euro with another currency, Ingram Micro's sales into such countries, or into Europe generally, would likely be adversely affected until stable exchange rates are established. Accordingly, fluctuations in foreign currency rates, most notably the strengthening of the U.S. dollar against the euro, could adversely affect our revenue growth in future periods. In addition, currency variations can adversely affect margins on sales of our products in countries outside of the United States.

We have managed our exposure to fluctuations in the value of currencies and interest rates using a variety of financial instruments entered into with financial institutions. Although we believe that our exposures are appropriately diversified across counterparties and that, through our ongoing monitoring procedures, these counterparties are creditworthy financial institutions, we are exposed to credit loss in the event of nonperformance by these counterparties. In addition, our hedging activities may not fully offset any adverse financial impact resulting from currency variations, which could affect our financial results.

Terminations of a supply or services agreement or a significant change in supplier terms or conditions of sale could negatively affect our operating margins, revenue or the level of capital required to fund our operations. A significant percentage of our net sales relates to products sold to us by relatively few suppliers. As a result of such concentration risk, terminations of supply or services agreements, or a significant change in the terms or conditions of sale from one or more of our more significant partners, or bankruptcy or closure of business by one or more of our more significant partners could negatively affect our operating margins, revenues or the level of capital required to fund our operations. Our suppliers have the ability to make, and in the past have made, rapid and significantly adverse changes in their 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. In most cases, we have no guaranteed price or delivery agreements with suppliers. In certain product categories, such as systems, limited price protection or return rights offered by suppliers may have a bearing on the amount of product we may be willing to stock. We expect restrictive supplier terms and conditions to continue in the foreseeable future. Our inability to pass through to our customers the impact of these changes, as well as our failure to develop systems to manage ongoing supplier programs, could cause us to record inventory write-downs or other losses and could have a negative impact on our gross margins.

We receive purchase discounts and rebates from suppliers based on various factors, including sales or purchase volume, breadth of customers and achievement of other goals set by the vendors. These purchase discounts and rebates may affect gross margins. Many purchase discounts from suppliers are based on percentage increases in sales of products. Our operating results could be negatively impacted if these rebates or discounts are reduced or eliminated or if our vendors significantly increase the complexity of process and costs for us to receive such rebates.

Our ability to obtain particular products or product lines in the required quantities and to fulfill customer orders on a timely basis is critical to our success. The IT industry experiences significant product supply shortages and customer order backlogs from time to time due to the inability of certain suppliers to supply certain products on a timely basis. As a result, we have experienced, and may in the future continue to experience, short-term shortages of specific products, which can in turn have significant impacts on pricing of such products. In addition, suppliers who currently distribute their products through us may decide to shift to or substantially increase their existing distribution, through other distributors, their own dealer networks, or directly to resellers or end-users. Suppliers have, from time to time, made efforts to reduce the number of distributors with which they do business. This could result in more intense competition as distributors strive to secure distribution rights with these vendors, which could have an adverse effect on our operating results. If suppliers are not able to provide us with an adequate supply of products to fulfill our customer orders on a timely basis or we cannot otherwise obtain particular products or a product line or suppliers substantially increase their existing distribution through other distributors, their own dealer networks, or directly to resellers, our reputation, sales and profitability may suffer.

Substantial defaults by our customers or the loss of significant customers could have a negative impact on our business, results of operations, financial condition or liquidity. As is customary in many industries, we extend credit to our customers for a significant portion of our net sales. Customers have a period of time, generally 30 to 45 days after date of invoice, to make payment. We are subject to the risk that our customers will not pay for the products they have purchased. The risk that we may be unable to collect on receivables may increase if our customers experience decreases in demand for their products and services or otherwise become less stable, due to adverse economic conditions. If there is a substantial deterioration in the collectability of our receivables or if we cannot obtain credit insurance at reasonable rates, are unable to collect under existing credit insurance policies, or fail to take other actions to adequately mitigate such credit risk, our earnings, cash flows and our ability to utilize receivable-based financing could deteriorate. In addition, our customers do not have an obligation to make purchases from us. 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, our revenues, and our ability to access rebates from vendors may be negatively impacted, resulting in an adverse effect on our business or results of operations.

Changes in, or interpretations of, tax rules and regulations, changes in mix of our business amongst different tax jurisdictions, and deterioration of the performance of our business may adversely affect our effective income tax rates or operating margins and we may be required to pay additional taxes and/or tax assessments, as well as record valuation allowances relating to our deferred tax assets. We are subject to both income and transaction-based taxes in substantially all countries and jurisdictions in which we operate, which are complex. Changes to tax regulations or to their interpretation or application by governments could adversely affect our future earnings and cash flows. Our effective income tax rate in the future could be adversely affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, changes to our operating structure, changes in tax laws and the discovery of new information in the course of our tax return preparation process.

Likewise, unanticipated changes to our transaction tax liabilities could adversely affect our future results of operations, cash flows and our competitive position. We engage in a high volume of transactions where multiple types of consumption, commercial and service taxes are potentially applicable. An inability to appropriately identify, charge, remit and document such taxes, along with an inconsistency in the application of these taxes by the applicable taxing authorities, may negatively impact our gross and operating margins, financial position or cash flows.

We are subject to the continuous examination of both our income and transaction tax returns by the Internal Revenue Service and other domestic and foreign tax authorities. While we regularly evaluate our tax contingencies and uncertain tax positions to determine the adequacy of our provision for income and other taxes based on the technical merits and the likelihood of success resulting from tax examinations, any adverse outcome from these continuous examinations may have an adverse effect on our operating results and financial position.

Our goodwill and identifiable intangible assets could become impaired, which could reduce the value of our assets and reduce our net income in the year in which the write-off occurs. Goodwill represents the excess of the cost of an acquisition over the fair value of the assets acquired. We also ascribe value to certain identifiable intangible assets, which consist primarily of customer relationships and trade names, among others, as a result of acquisitions. We may incur impairment charges on goodwill or identifiable intangible assets if we determine that the fair values of the goodwill or identifiable intangible assets are less than their current carrying values. We evaluate, on a regular basis, whether events or circumstances have occurred that indicate all, or a portion, of the carrying amount of goodwill may no longer be recoverable, in which case an impairment charge to earnings would become necessary.

A decline in general economic conditions or global equity valuations could impact our judgments and assumptions about the fair value of our businesses and we could be required to record impairment charges on our goodwill or other identifiable intangible assets in the future.

We have incurred and will incur additional depreciation and amortization expense over the useful lives of certain assets acquired in connection with business combinations, and to the extent that the value of goodwill or intangible assets with indefinite lives acquired in connection with a business combination and investment transaction become impaired, we may be required to incur material charges relating to the impairment of those assets. For example, we had $527,526 of goodwill and $375,423 of identifiable net intangible assets recorded in connection with various acquisitions as of December 28, 2013. If our future results of operations for these acquired businesses do not perform as expected or are negatively impacted by any of the risk factors noted herein or other unforeseen events, we may have to recognize impairment charges which would adversely affect our results of operations.

Changes in our credit rating or other market factors, such as adverse capital and credit market conditions or reductions in cash flow from operations, may affect our ability to meet liquidity needs, reduce access to capital, and/or increase our costs of borrowing. Our business requires significant levels of capital to finance accounts receivable and product inventory that is not financed by trade creditors. This is especially true when our business is expanding, including through acquisitions, but we still have substantial demand for capital even during periods of stagnant or declining net sales. In order to continue operating our business, we will continue to need access to capital, including debt financing and inbound and outbound flooring and draft discounting facilities. In addition, changes in payment terms with either suppliers or customers could increase our capital requirements. Our ability to repay current or future indebtedness when due, or have adequate sources of liquidity to meet our business needs may be affected by changes to the cash flows of our subsidiaries. A reduction of cash flow generated by our subsidiaries may have an adverse effect on our liquidity. Under certain circumstances, legal, tax or contractual restrictions may limit our ability or make it more costly to redistribute cash between subsidiaries to meet our overall operational or strategic investment needs, or for repayment of indebtedness requirements.

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 twelve months. However, volatility and disruption in the capital and credit markets, including increasingly complex regulatory constraints on these markets, may increase our costs for accessing the capital and credit markets. In addition, adverse capital and credit market conditions may also limit our ability to replace, in a timely manner, maturing credit arrangements or our ability to access committed capacities or the capital we require may not be available on terms acceptable to us, or at all, due to inability of our finance partners to meet their commitments to us. Furthermore, if we do not meet various covenant requirements of our corporate finance programs, including cross-default threshold provisions, we may not be able to access the majority of our credit programs with our finance partners. The lack of availability of such funding could harm our ability to operate or expand our business.

In addition, our cash and cash equivalents (including trade receivables collected and/or monies set aside for payment to creditors) are deposited and/or invested with various financial institutions located in the various countries in which we operate.

We endeavor to monitor these financial institutions regularly for credit quality; however, we are exposed to risk of loss on such funds or we may experience significant disruptions in our liquidity needs if one or more of these financial institutions were to suffer bankruptcy or similar restructuring.

We cannot predict what losses we might incur in litigation matters 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, results of operations or cash flows. However, we can make no assurances that we will ultimately be successful in our defense of any of these matters. See Part I. Item 3. “Legal Proceedings,” in this Form 10-K for a discussion of our material legal matters.

We may become involved in intellectual property disputes that could cause us to incur substantial costs, divert the efforts of management or require us to pay substantial damages or licensing fees. From time to time, we receive notifications alleging infringements of intellectual property rights allegedly held by others relating to the products or services we sell. Litigation with respect to patents or other intellectual property matters could result in substantial costs and diversion of management and other resources and could have an adverse effect on our operations. Further, we may be obligated to indemnify and defend our customers if the products or services we sell are alleged to infringe any third party’s intellectual property rights. While we may be able to seek indemnification from our suppliers to protect our customers and us against such claims, there is no assurance that we will be successful in obtaining such indemnification or that we will be fully protected against such claims. We may also be prohibited from marketing products, could be forced to market products without desirable features, or could incur substantial costs to defend legal actions, including where third parties claim that we or vendors who may or may not have indemnified us are infringing upon their intellectual property rights. In recent years, individuals and groups have begun purchasing intellectual property assets for the sole purpose of making claims of infringement and attempting to extract settlements from target companies. Even if we believe that such infringement claims are without merit, the claims can be time-consuming and costly to defend and divert management’s attention and resources away from our business. Claims of intellectual property infringement may require us to enter into costly settlements or pay costly damage awards, or face a temporary or permanent injunction prohibiting us from marketing or selling certain products or services, which could affect our ability to compete effectively. If an infringement claim is successful, we may be required to pay damages or seek royalty or license arrangements, which may not be available on commercially reasonable terms. Even if we have an agreement that indemnifies us against such costs, the indemnifying party may be unable or unwilling to uphold its contractual obligations to us.

Our failure to comply with the requirements of environmental regulations could adversely affect our business. We are subject to various federal, state, local and foreign laws and regulations addressing environmental and other impacts from product disposal, use of hazardous materials in products, recycling of products at the end of their useful life and other related matters. Compliance with these environmental laws may have a material adverse effect on our business. These laws include the European Union Waste Electrical and Electronic Equipment Directive as enacted by individual European Union countries and other similar legislation adopted in North America, which make producers of electrical goods, including computers and printers, responsible for collection, recycling, treatment and disposal of recovered products. While we strive to ensure we are in compliance with all applicable regulations, certain of these regulations impose strict liability. Additionally, we may be held responsible for the prior activities of entities that we have acquired. Failure to comply or allegations of non-compliance with these regulations could result in substantial costs, fines and civil or criminal sanctions, as well as third-party claims for property damage or personal injury. Further, environmental laws may become more stringent over time, imposing greater compliance costs and increasing risks and penalties associated with violation.

We face a variety of risks in our reliance on third-party service companies, including shipping companies for the delivery of our products and outsourcing arrangements. We rely almost entirely on arrangements with third-party shipping and freight forwarding companies for the delivery of our products. The termination of our arrangements with one or more of these third-party shipping companies, or the failure or inability of one or more of these third-party shipping companies to deliver products from suppliers to us or products from us to our customers, could disrupt our business and harm our reputation and operating results.

In addition, we have outsourced various transaction-oriented service and support functions to business process outsource providers. We have also outsourced a significant portion of our IT infrastructure function and certain IT application development functions to third-party providers. We may outsource additional functions to third-party providers. Our reliance on third-party providers to provide service to us, our customers and suppliers and for our IT requirements to support our business could result in significant disruptions and costs to our operations, including damaging our relationships with our suppliers and customers, if these third-party providers do not meet their obligations to adequately maintain an appropriate level of service for the outsourced functions or fail to adequately support our IT requirements. As a result of our outsourcing activities, it may also be more difficult to recruit and retain qualified employees for our business needs.

Changes in accounting rules could adversely affect our future operating results. Our consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles. These principles are subject to interpretation by various governing bodies, including the Financial Accounting Standards Board and the SEC, who create and interpret appropriate accounting standards. Future periodic assessments required by current or new accounting standards may result in additional noncash charges and/or changes in presentation or disclosure. A change from current accounting standards could have a significant adverse effect on our reported financial position or results of operations.

Our quarterly results have fluctuated significantly. Our quarterly operating results have fluctuated significantly in the past and will likely continue to do so in the future as a result of:

- general changes in economic or geopolitical conditions, including changes in legislation or regulatory environments in which we operate;
- competitive conditions in our industry, which may impact the prices charged and terms and conditions imposed by our suppliers and/or competitors and the prices we charge our customers, which in turn may negatively impact our revenues and/or gross margins;
- seasonal variations in the demand for our products and services, which historically have included lower demand in Europe during the summer months, worldwide pre-holiday stocking in the retail channel during the September-to-December period and the seasonal increase in demand for our North American fee-based logistics services in the fourth quarter, which affects our operating expenses and gross margins;
- changes in product mix, including entry or expansion into new markets, as well as the exit or retraction of certain business;
- the impact of and possible disruption caused by integration and reorganization of our businesses and efforts to improve our IT capabilities, as well as the related expenses and/or charges;
- currency fluctuations in countries in which we operate;
- variations in our levels of excess inventory and doubtful accounts, and changes in the terms of vendor-sponsored programs such as price protection and return rights;
- changes in the level of our operating expenses;
- the impact of acquisitions and divestitures;
- variations in the mix of profits between multiple tax jurisdictions, including losses in certain tax jurisdictions in which we are not able to record a tax benefit, as well as changes in assessments of uncertain tax positions or changes in the valuation allowances on our deferred tax assets, which could affect our provision for taxes and effective tax rate;
- the occurrence of unexpected events or the resolution of existing uncertainties, including, but not limited to, litigation or regulatory matters;
- the loss or consolidation of one or more of our major suppliers or customers;
- product supply constraints; and
- interest rate fluctuations and/or credit market volatility, which may increase our borrowing costs and may influence the willingness or ability of customers and end-users to purchase products and services.

These historical variations in our business may not be indicative of future trends in the near term. Our narrow operating margins may magnify the impact of the foregoing factors on our operating results. We believe that you should not rely on period-to-period comparisons of our operating results as an indication of future performance. In addition, the results of any quarterly period are not indicative of results to be expected for a full fiscal year.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our corporate headquarters is located in Santa Ana, California. We support our global operations through an extensive sales and administrative office and distribution network throughout North America, Europe, Asia-Pacific (including MEA), and Latin America. We operate 132 distribution centers worldwide (greater than 5,000 square feet in size).

We lease substantially all our facilities on varying terms. We do not anticipate any material difficulties with the renewal of any of our leases when they expire or in securing replacement facilities on commercially reasonable terms. We also own several facilities, the most significant of which are two of our distribution centers in Plainfield, Indiana and part of our office/distribution facilities in Straubing, Germany.

ITEM 3. LEGAL PROCEEDINGS

Our Brazilian subsidiary has received a number of tax assessments including the following: (1) a 2005 Federal import tax assessment claiming certain commercial taxes totaling Brazilian Reais 12,714 ($5,401 at December 28, 2013 exchange rates) were due on the import of software acquired from international vendors for the period January through September of 2002; (2) a 2007 Sao Paulo Municipal tax assessment claiming Brazilian Reais 29,111 ($12,368 at December 28, 2013 exchange rates) of service taxes were due on the resale of acquired software covering years 2002 through 2006, plus Brazilian Reais 25,972 ($11,034 at

December 28, 2013 exchange rates) of associated penalties; (3) a 2011 Federal income tax assessment, a portion of which claims statutory penalties totaling Brazilian Reais 15,900 ($6,755 at December 28, 2013 exchange rates) for delays in providing certain electronic files during the audit of tax years 2008 and 2009, which was conducted through the course of 2011; (4) a 2012 Sao Paulo municipal tax assessment claiming Brazilian Reais 2,996 ($1,272 at December 28, 2013 exchange rates) of service taxes due on the importation of software covering the year 2007 plus Brazilian Reais 1,498 ($636 at December 28, 2013 exchange rates) of associated penalties; and (5) a 2013 Sao Paulo municipal tax assessment claiming Brazilian Reais 10,725 ($4,556 at December 28, 2013 exchange rates) of service taxes due on the importation of software covering the years 2008, 2009, 2010 and January through May 2011 plus Brazilian Reais 5,362 ($2,278 at December 28, 2013 exchange rates) of associated penalties. While we will continue to vigorously pursue administrative and, if applicable, judicial action in defending against the 2005 Federal import tax assessment, we continue to maintain a reserve for the full tax amount assessed at December 28, 2013 in item (1) above. After working with our advisors, we believe the other matters noted above do not represent a probable loss.

In addition to the amounts described above, incremental charges for possible penalties, interest and inflationary adjustments could be imposed in an amount up to Brazilian Reais 206,701 ($87,815 at December 28, 2013 exchange rates) for these matters. We believe we have good defenses against each matter and do not believe it is probable that we will suffer a material loss for these matters.

In March 2008, we and one of our subsidiaries were named as defendants in a lawsuit arising out of the 2005 bankruptcy of Refco, Inc., and its subsidiaries and affiliates (collectively, “Refco”). The liquidators of numerous Cayman Island-based hedge funds filed suit (the “Krys action”) against Grant Thornton LLP, Mayer Brown Rowe & Maw, LLP, Phillipp Bennet, and numerous other individuals and entities. The Krys action alleges that we and our subsidiary aided and abetted the fraud and breach of fiduciary duty of Refco insiders and others by participating in loan transactions between the subsidiary and Refco in early 2000 and early 2001, causing damage to the hedge funds in an unspecified amount. The action is pending in the U.S. District Court for the Southern District of New York. On July 31, 2012, the trial court entered judgment in our favor, dismissing plaintiffs’ claims against us and our subsidiary with prejudice. Plaintiffs have appealed that judgment, but we do not expect the final disposition of the Krys matter to have a material adverse effect on our consolidated financial position, results of operations, or cash flows.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Common Stock. Our Common Stock is traded on the New York Stock Exchange under the symbol IM. The following table sets forth the high and low price per share, based on closing price, of our Common Stock for the periods indicated.

		HIGH	LOW
Fiscal Year 2013	First Quarter	$ 20.14	$ 16.92
	Second Quarter	19.61	17.23
	Third Quarter	23.46	19.21
	Fourth Quarter	24.21	22.90
Fiscal Year 2012	First Quarter	$ 19.72	$ 18.09
	Second Quarter	19.53	16.86
	Third Quarter	17.55	14.46
	Fourth Quarter	17.37	14.83

As of December 28, 2013 there were 459 holders of record of our Common Stock. Because many of such shares are held by brokers and other institutions, on behalf of shareowners, we are unable to estimate the total number of shareowners represented by these record holders.

Dividend Policy. We have neither declared nor paid any dividends on our Common Stock in the preceding two fiscal years. We currently intend to retain future earnings to fund ongoing operations and finance the growth and development of our business. Any future decision to declare or pay dividends will be at the discretion of the Board of Directors and will be dependent upon our financial condition, results of operations, capital requirements, and such other factors as the Board of Directors deems relevant. In addition, certain of our debt facilities contain restrictions on the declaration and payment of dividends.

Equity Compensation Plan Information. The following table provides information, as of December 28, 2013, with respect to equity compensation plans under which equity securities of our company are authorized for issuance, aggregated as follows: (i) all compensation plans previously approved by our shareholders and (ii) all compensation plans not previously approved by our shareholders.

Plan Category	(a) Number of securities (in thousands) to be issued upon exercise of outstanding options, warrants and rights(1)	(b) Weighted-average exercise price of outstanding options, warrants and rights(1)	(c) Number of securities (in thousands) remaining available for equity compensation plans (excluding securities reflected in column (a))(2)
Equity compensation plans approved by shareholders	4,187	$ 20.56	13,805
Equity compensation plans not approved by shareholders	None	None	None
TOTAL	4,187	$ 20.56	13,805

(1) Does not reflect unvested awards of time and performance restricted stock units/award of 6,854 at 100% target and an additional 818 shares at maximum achievement.

(2) Balance reflects shares available to issue, taking into account granted options, time vested restricted stock units/awards and performance vested restricted stock units assuming maximum achievement.

Share Repurchase Program. In October 2010, our Board of Directors authorized a $400,000 share repurchase program that has since been extended to October 27, 2015, of which $124,095 was remaining for repurchase at December 28, 2013. Under the program, we may repurchase shares in the open market and through privately negotiated transactions. Our repurchases are funded with available borrowing capacity and cash. The timing and amount of specific repurchase transactions will depend upon market conditions, corporate considerations and applicable legal and regulatory requirements. There was no share repurchase activity during the fourth quarter of 2013.

ITEM 6. SELECTED FINANCIAL DATA

SELECTED CONSOLIDATED FINANCIAL DATA

The following table presents our selected consolidated financial data. The information set forth below should be read in conjunction with "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical consolidated financial statements and notes thereto, included elsewhere in this Annual Report on Form 10-K. Over the last five years, we have made a number of acquisitions, including BrightPoint in October 2012. The results of the acquired entities have been included in our consolidated financial statements since their respective dates of acquisition.

Our fiscal year is a 52-week or 53-week period ending on the Saturday nearest to December 31. References below to "2013," "2012," "2011," "2010," and "2009" represent the fiscal years ended December 28, 2013 (52-weeks), December 29, 2012 (52-weeks), December 31, 2011 (52-weeks), January 1, 2011 (52-weeks) and January 2, 2010 (52-weeks), respectively.

	2013	2012	2011	2010	2009
	($ in 000s, except per share data)				
Selected Operating Information					
Net sales	$ 42,553,918	$ 37,827,299	$ 36,328,701	$ 34,588,984	$ 29,515,446
Gross profit	2,489,557	2,035,389	1,908,282	1,892,291	1,670,209
Income from operations (1)	514,875	462,352	458,646	484,433	295,940
Income before income taxes	436,099	396,184	387,871	438,061	269,248
Net income (2)	310,583	305,909	244,240	318,060	202,138
Basic earnings per share	2.03	2.03	1.57	1.98	1.24
Diluted earnings per share	1.99	1.99	1.53	1.94	1.22
Selected Balance Sheet Information					
Cash and cash equivalents	$ 674,390	$ 595,147	$ 891,403	$ 1,155,551	$ 910,936
Total assets	11,791,195	11,480,448	9,146,516	9,084,032	8,179,350
Total debt	846,226	1,054,543	392,428	636,401	379,495
Stockholders' equity	3,949,625	3,611,253	3,272,777	3,241,182	3,011,813

(1) Includes (i) net reorganization costs of $34,629, $9,676, $5,131, $1,137 and $34,083 in 2013, 2012, 2011, 2010 and 2009, respectively; (ii) acquisition, integration and other transition costs of $29,933 and $16,365 in 2013 and 2012, respectively, primarily related to professional, consulting and integration costs associated with our acquisition of BrightPoint and asset impairments associated with the closure of our in-country Argentina operations, charged to selling, general and administrative, or SG&A, expenses; and (iii) a recovery of $29,494 from the settlement of a class action lawsuit against the manufacturers of LCD flat panel displays, which was recorded as a reduction of SG&A expense in 2013.

(2) Includes the after-tax impact of items noted in footnote (1) above. Includes a net discrete tax benefit of $18,854 in 2013 primarily related to the release of valuation allowance on deferred tax assets and the release of uncertain tax position liabilities. Includes net discrete tax benefits of $34,890 in 2012, primarily related to the write-off of the historical tax basis of the investment we had maintained in one of our Latin American subsidiary holding companies and a tax benefit related to the partial release of a valuation allowance that had previously been recorded against foreign tax credit carryforwards maintained in the U.S., partially offset by a tax charge for a valuation allowance recorded against our deferred tax assets in Australia. Also includes a non-cash income tax charge of $24,810 in 2011 for a valuation allowance recorded against our deferred tax assets in Brazil.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Unless otherwise stated, all currency amounts, other than per share information, contained in this Management's Discussion and Analysis of Financial Condition and Results of Operations are stated in thousands.

Overview of Our Business

Sales

We are the largest wholesale technology distributor and a global leader in IT supply-chain, mobile device lifecycle services and logistics solutions worldwide based on revenues. We offer a broad range of IT products and supply chain solutions and help generate demand and create efficiencies for our customers and suppliers around the world. Our results of operations have been, and are expected to continue to be, directly affected by the conditions in the economy in general. Our sales and results of operations have also been impacted by our acquisitions of BrightPoint, in October 2012, which expanded our product and service offerings to mobile device lifecycle services and logistics solutions worldwide, and to a lesser extent by the smaller acquisitions of Aptec, in October 2012 and Promark in November 2012. We also completed the strategic acquisitions of SoftCom, CloudBlue and Shipwire in the fourth quarter of 2013, which also enhanced our existing portfolio of products and services. The effects of the acquisitions during 2013 described above individually, and in aggregate, were not material to our consolidated results of operations.

Gross Margin

The IT distribution industry in which we operate is characterized by narrow gross profit as a percentage of net sales, or gross margin, and narrow income from operations as a percentage of net sales, or operating margin. Historically, our margins have also been impacted by pressures from price competition and declining average selling prices, as well as changes in vendor terms and conditions, including, but not limited to, variations in vendor rebates and incentives, our ability to return inventory to vendors, and time periods qualifying for price protection. We expect competitive pricing pressures and restrictive vendor terms and conditions to continue in the foreseeable future. In addition, our margins have been and may continue to be impacted by our inventory levels which are based on projections of future demand, product availability, product acceptance and marketability, and market conditions. Any sudden decline in demand and/or rapid technological changes in products could cause us to have a charge for excess and/or obsolete inventory. To mitigate these factors, we have implemented changes to and continue to refine our pricing strategies, inventory management processes and vendor program processes. In addition, we continuously monitor and work to change, as appropriate, certain terms, conditions and credit offered to our customers to reflect those being imposed by our vendors, to recover costs and/or to facilitate sales opportunities. We have also strived to improve our profitability through diversification of product offerings, including our presence in adjacent product categories, such as automatic identification/data capture and point-of-sale, or AIDC/POS, enterprise computing, cloud computing, consumer electronics and fee-for-service logistics offerings.

Selling, General and Administrative Expenses or SG&A Expenses

Another key area for our overall profitability management is the monitoring and control of our level of SG&A expenses. We have instituted a number of cost reduction and profit enhancement programs and as well as other reorganization actions across each of our segments to respond to changes in the economy and to further enhance productivity and profitability.These actions have included the rationalization and re-engineering of certain roles and processes, resulting in the reduction of headcount and consolidation of certain facilities. Our acquisition of BrightPoint, as well as our smaller strategic acquisitions of SoftCom, CloudBlue and Shipwire increased our presence in fee-for-service mobility device lifecycle solutions, and traditional logistics offerings and cloud solutions, which have higher margins but also higher service costs. As such, we expect our SG&A expenses will increase as a percent of consolidated net sales with the increase in this mix of business.

Amortization of Intangible Assets

Our overall profitability is also impacted by amortization of our intangible assets primarily due to our recent acquisitions.

Working Capital and Debt

The IT products and services distribution business is working capital intensive. Our business requires significant levels of working capital, primarily trade accounts receivable and inventory, which is partially financed by vendor trade accounts payable. As a general rule, our net investment in working capital increases when sales volumes increase. Conversely, this level of investment tends to decline in times of declining sales. For our working capital needs, we rely heavily on trade credit from vendors, and also on trade accounts receivable financing programs and proceeds from our senior unsecured notes and debt facilities. Due to our narrow operating margins, we maintain a strong focus on management of working capital and cash provided by operations, as well as our debt and cash levels. However, our debt and/or cash levels may fluctuate significantly on a day-to-day basis due to the timing of customer receipts and periodic payments to vendors. A higher concentration of payments received from customers toward the end of each month, combined with the timing of payments we make to our vendors, typically yields lower debt balances and higher cash balances at our period-ends than is the case throughout the quarter or year. Our future debt requirements may increase and/or our cash levels may decrease to support growth in our overall level of business, changes in our required working capital profile, or to fund acquisitions, share repurchases or other investments in the business.

Information Technology Systems

We are currently in the process of migrating our operations from our legacy proprietary system that was developed in the late-1980s to SAP in a phased, country-by-country approach. We have deployed SAP in several operations globally beginning in 2009 with our last deployment in early 2013 in Colombia. Due to challenges in our earlier round of implementations, additional deployments have been on hold as we continue to address certain improvements within the system to better address our internal and customer needs. We are continuing to evaluate our schedule for deploying the enterprise system in additional locations. While we will adjust the deployment schedule as required to best serve our customers, we can make no assurances that we will not have disruptions, delays and/or negative business impacts from forthcoming deployments.

Organizational Effectiveness Program

In order to further enhance our ability to innovate and respond to market needs with greater speed and efficiency, on February 13, 2014 we announced a plan to proceed with a global organizational effectiveness program that involves three critical aspects:

1. Aligning and leveraging our infrastructure globally with our evolving businesses, opportunities and resources;
2. De-layering and simplifying the organization to enable us to be more nimble, responsive and collaborative; and
3. Maintaining investments in expertise and capabilities to continue to transform our business mix in faster growing, higher margin businesses.

As a result of the alignment and de-layering programs, we expect annual savings between $80,000 and $100,000. Restructuring, integration and other reorganization costs associated with these programs are expected to be between $80,000 and $100,000, which includes $8,000 in costs associated with implementation of initiatives that occurred in the fourth quarter of 2013. The majority of the costs are expected to be incurred in the first half of 2014. We anticipate the majority of the cost savings beginning to occur in the second half of 2014 and the full run rate of savings to be realized in 2015.

Our Critical Accounting Policies and Estimates

The discussions and analyses of our consolidated financial condition and results of operations are based on our consolidated financial statements, which have been prepared in conformity with U.S. generally accepted accounting principles ("U.S. GAAP"). The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of significant contingent assets and liabilities at the financial statement date, and reported amounts of revenue and expenses during the reporting period. On an ongoing basis, we review and evaluate our estimates and assumptions, including, but not limited to, those that relate to trade accounts receivable; vendor programs; inventory; goodwill, intangible assets and other long-lived assets; income taxes; and contingencies and litigation. Our estimates are based on our historical experience and a variety of other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making our judgments about the carrying values of assets and liabilities that are not readily available from other sources. Although we believe our estimates, judgments and assumptions are appropriate and reasonable based upon available information, these assessments are subject to a wide range of sensitivities. Therefore, actual results could differ from these estimates.

We believe that the following discussion addresses the Company's most critical accounting policies, which are those that are most important to the portrayal of the Company's financial condition and results of operations and require management's most difficult, subjective and complex judgments often as a result of the need to make estimates about the effect of matters that are inherently uncertain.

- *Trade Accounts Receivable* — Our trade accounts receivable reflect a large number of customers dispersed across wide geographic areas, none of which accounted for 10% or more of our consolidated net sales during the three years ended December 28, 2013. We provide allowances for doubtful accounts on our trade accounts receivable for estimated losses resulting from the inability of our customers to make required payments. Changes in the financial condition of our customers or other unanticipated events, which may affect their ability to make payments, could result in charges for additional allowances exceeding our expectations. Our estimates are influenced by the following considerations: a continuing credit evaluation of our customers’ financial condition; aging of trade accounts receivable, individually and in the aggregate; the extent of credit insurance coverage; the value and adequacy of collateral received from our customers in certain circumstances; our historical loss experience; and changes in credit risk and capital availability of our customers resulting from economic conditions.

- *Vendor Programs* — We receive funds from vendors for price protection, product return privileges, product rebates, marketing/promotion, infrastructure reimbursement and meet-competition programs, which are recorded as adjustments to product costs, revenue, or SG&A expenses according to the nature of the program. Some of these programs may extend over more than one quarterly reporting period. We accrue rebates or other vendor incentives as earned based on sales of qualifying products or as services are provided in accordance with the terms of the related program. Actual rebates may vary based on actual volume or other sales achievement levels, which could result in an increase or reduction in the estimated amounts previously accrued. We also provide reserves for receivables on vendor programs for estimated losses resulting from vendors' inability to pay or rejections of claims by vendors.

- *Inventory* — Our inventory levels are based on our projections of future demand and market conditions. Any sudden decline in demand and/or rapid product improvements and technological changes could cause us to have excess and/or obsolete inventory. On an ongoing basis, we review for estimated excess or obsolete inventory and write down our inventory to its estimated net realizable value based upon our forecasts of future demand and market conditions. If actual market conditions are less favorable than our forecasts, additional inventory write-downs may be required. Our estimates are influenced by a number of considerations, including: protection from loss in value of inventory under our vendor agreements; our rights to return inventory to vendors in accordance with contractual stipulations; aging of inventory; changes in demand due to the economic environment; rapid product improvements and technological changes and historical loss experience.

- *Goodwill, Intangible Assets and Other Long-Lived Assets* — The cost of an acquired company is assigned to the tangible and intangible assets purchased and liabilities assumed on the basis of fair values at the date of acquisition. The determination of fair values of assets acquired and liabilities assumed requires significant judgments, including estimation of future cash flows, which is dependent on internal forecasts, estimation of the long-term rate of growth for our business, estimation of the useful life over which cash flows will occur, and determination of our weighted average cost of capital. Any excess of purchase price over the fair value of net tangible and intangible assets acquired is allocated to goodwill. Goodwill typically represents the value paid for the assembled workforce and enhancement of our service offerings.

  Identifiable amortizable intangible assets include customer relationships, trade names, technology and other assets. The costs of these intangible assets are amortized over their estimated economic lives, which range from three to twenty years. We assess the recoverability of the unamortized balance of our intangible assets, indefinite-lived intangible assets and other long-lived assets when indicators of impairment are present based on expected future profitability, undiscounted expected cash flows and their contribution to our overall operations. Should the review indicate that the carrying value is not fully recoverable; the excess of the carrying value over the fair value of the intangible assets would be recognized as an impairment loss.

  We perform our annual goodwill impairment review during our fiscal fourth quarter, using a combination of the income and market approach. Our annual review indicated that we had no impairment of goodwill, and all of our reporting units had estimated fair values that were in excess of their carrying values, including goodwill. In addition, we regularly evaluate whether events and circumstances have occurred that may indicate a potential change in recoverability of goodwill, including a deterioration in general economic conditions, an increased competitive environment, a change in management, key personnel, strategy, vendors, or customers, negative or declining cash flows, or a decline in actual or planned revenue or earnings compared with actual and projected results of relevant prior periods.

  We believe the methodology that we use to review impairment of goodwill, which includes a significant amount of judgment and estimates, provides us with a reasonable basis to determine whether impairment has occurred. However, many of the factors employed in determining whether our goodwill is impaired are outside of our control and it is reasonably likely that assumptions and estimates will change in future periods. These changes could result in future impairments.

- *Income Taxes* — As part of the process of preparing our consolidated financial statements, we estimate our income taxes in each of the taxing jurisdictions in which we operate. This process involves estimating our actual current tax expense together with assessing the future tax impact of differences resulting from the different treatment of certain items, such as the timing for recognizing revenues and expenses for tax versus financial reporting purposes. These differences may result in deferred tax assets and liabilities, which are included in our consolidated balance sheet. We are required to assess the likelihood that our deferred tax assets, which include net operating loss carryforwards, tax credits and temporary differences that are expected to be deductible in future years, will be recoverable from future taxable income. In making that assessment, we consider the nature of the deferred tax assets and related statutory limits on utilization, recent operating results, future market growth, forecasted earnings, future taxable income, the mix of earnings in the jurisdictions in which we operate and prudent and feasible tax planning strategies. If, based upon available evidence, recovery of the full amount of the deferred tax assets is not likely, we provide a valuation allowance on amounts not likely to be realized.

Our effective tax rate includes the impact of not providing taxes on undistributed foreign earnings considered indefinitely reinvested. Material changes in our estimates of cash, working capital and long-term investment requirements in the various jurisdictions in which we do business could impact our effective tax rate if we no longer consider our foreign earnings to be indefinitely reinvested.

The provision for tax liabilities and recognition of tax benefits involves evaluations and judgments of uncertainties in the interpretation of complex tax regulations by various taxing authorities. In situations involving uncertain tax positions related to income tax matters, we do not recognize benefits unless their sustainability is deemed more likely than not. As additional information becomes available, or these uncertainties are resolved with the taxing authorities, revisions to these liabilities or benefits may be required, resulting in additional provision for or benefit from income taxes reflected in our consolidated statement of income.

- *Contingencies and Litigation* — There are various claims, lawsuits and pending actions against us, including those noted in Part I, Item 3. “Legal Proceedings.” If a loss arising from these actions is probable and can be reasonably estimated, we record the amount of the estimated loss. If the loss is estimated using a range within which no point is more probable than another, the minimum estimated liability is recorded. If a loss is reasonably possible, but not probable, we disclose the nature of the significant contingency and, if quantifiable, the possible loss or range of loss that could result from the resolution of the matter. As additional information becomes available, we reassess any potential liability related to these actions and may need to revise our estimates. Such revisions or ultimate resolution of these matters could materially impact our consolidated results of operations, cash flows or financial position (see Note 10 to our consolidated financial statements).

Results of Operations

We do not allocate stock-based compensation expense (see Note 12 to our consolidated financial statements) to our operating segments; therefore, we are reporting this as a separate amount. The following tables set forth our net sales by reportable segment and the percentage of total net sales represented thereby, as well as operating income and operating margin by reportable segment for each of the fiscal years indicated. Beginning in 2012, we added a reportable segment for mobility which reflects our acquisition of BrightPoint.

Results of Operations for the Year Ended December 28, 2013 and December 29, 2012:

	2013		2012		Change - Increase (Decrease)	
Net sales by reporting segment:						
North America	$ 16,433,994	39%	$ 15,880,103	42%	$ 553,891	3.5%
Europe	10,843,514	25	10,614,811	28	228,703	2.2
Asia-Pacific	8,698,116	20	8,347,170	22	350,946	4.2
Latin America	2,051,899	5	1,943,841	5	108,058	5.6
BrightPoint	4,526,395	11	1,041,374	3	3,485,021	334.7
Total	$ 42,553,918	100%	$ 37,827,299	100%	$ 4,726,619	12.5%

	2013		2012		Change - Increase (Decrease)	
Operating income and operating margin by reporting segment:						
North America	$ 296,263	1.80%	$ 283,689	1.79%	$ 12,574	0.01 %
Europe	84,966	0.78	103,278	0.97	(18,312)	(0.19)
Asia-Pacific	74,394	0.86	53,613	0.64	20,781	0.22
Latin America	43,080	2.10	37,700	1.94	5,380	0.16
BrightPoint	46,512	1.03	11,290	1.08	35,222	(0.05)
Stock-based compensation	(30,340)	—	(27,218)	—	(3,122)	—
Total	$ 514,875	1.21%	$ 462,352	1.22%	$ 52,523	(0.01)%

	2013	2012
Net sales	100.00%	100.00%
Cost of sales	94.15	94.62
Gross profit	5.85	5.38
Operating expenses:		
Selling, general and administrative	4.45	4.08
Amortization of intangible assets	0.11	0.05
Reorganization costs	0.08	0.03
Income from operations	1.21	1.22
Other expense, net	0.19	0.17
Income before income taxes	1.02	1.05
Provision for income taxes	0.29	0.24
Net income	0.73%	0.81%

The 12.5 percent increase in our consolidated net sales for the year ended December 28, 2013 compared to the year ended December 29, 2012, largely reflects our acquisitions which contributed approximately ten percentage points of our growth in consolidated revenue. In addition, net sales in 2013 reflected solid growth in Latin America, North America, and parts of Asia-Pacific, particularly in India and Australia, while demand was relatively soft in much of Europe and China. The translation impact of foreign currencies relative to the U.S. dollar did not have a material impact on our consolidated net sales.

The 3.5 percent increase in our North American net sales reflects strategic management of growth and pricing in various segments as the region continues to face competitive pricing pressure. Revenue growth was driven by advanced solutions and specialty divisions with particular strength in storage, infrastructure systems and networking, as well as strength in our key small and medium-sized business, or SMB, market in the U.S. Additionally, Canada grew revenues by 4%, driven by strong sales of advanced solutions and an improved retail market.

The 2.2 percent increase in our European net sales largely reflects the favorable translation impact of stronger local currencies which contributed approximately three percentage points of increase. The overall region was relatively flat in local currency reflecting solid growth in France, the U.K. and the Netherlands, particularly in the SMB market, offset by declines in Germany and Belgium primarily due to slower demand in consumer markets and the impact of continued challenging macro-economic conditions.

The 4.2 percent increase in our Asia-Pacific net sales largely reflects the acquisition of Aptec, which contributed approximately four percentage points to the region's overall growth. India generated double digit growth supported by increases across multiple product lines, including handsets and networking solutions. Additionally, Australia's revenue grew for the fourth quarter in a row, despite an overall declining IT market across many sectors in the country. This growth was partially offset by China where revenue declined primarily due to lower sales of tablets, which was a large driver of China’s double digit growth last year, as well as a weaker overall IT spending environment. In addition, the translation impact of weaker local currencies contributed approximately two percentage points of decline.

The 5.6 percent increase in Latin American net sales reflects continued improvement in Brazil and relatively strong growth in Chile. Revenues were relatively flat in Mexico in local currencies and Miami export had a slight decline. Brazil continued to improve its market position and increase share. In Mexico, sales were impacted by delays in government spending and a slowdown in consumer spending in the first half of the year, while Miami export experienced a slowdown throughout the year in certain consumer-related products which benefited from new product launches in the prior year. The translation impact of foreign currencies relative to the U.S. dollar had a negative impact of approximately one percentage point on the region's net sales.

Our BrightPoint net sales for 2012 reflect only the period from the date of acquisition, October 15, 2012, through December 29, 2012 compared to a full year of revenue in 2013. The business continues to make strong contributions, adding new logistics contracts and new distribution agreements with leading original equipment manufacturers (“OEM”), offsetting some share shift we experienced with some of our existing OEMs, particularly in Asia-Pacific.

Gross margin increased 47 basis points in 2013 compared to 2012 reflecting the higher mix of mobility logistics services due to the acquisition of BrightPoint and improved performance in our higher margin advanced solutions and specialty businesses and fee-for-service logistics business. These benefits helped offset the dilutive impact of a more competitive selling environment in the U.S. and many countries in Europe. We continuously evaluate and modify our pricing policies and certain terms, conditions and credit offered to our customers to reflect those being imposed by our vendors and general market conditions. We may experience fluctuations in our sales growth in the near term, or these modifications may negatively impact our gross margin. In addition, increased competition and any further retractions or softness in economies throughout the world may hinder our ability to maintain and/or improve gross margins from the levels realized in recent periods.

Total SG&A expenses increased $348,923, or 22.6%, and increased 37 basis points as a percentage of net sales in 2013 compared to 2012. The increase in SG&A costs largely reflects our acquisitions in the fourth quarter of 2012 and during 2013, which added approximately $330,000 of costs and approximately $14,000 is related to the translation impacts of foreign currencies The increase also reflects an incremental $8,568 for acquisition, integration, and other transition costs and a charge of approximately $5,000 recorded for estimated potential penalties and other charges related to indirect tax declarations in Europe. We also incurred incremental direct variable costs associated with the growth in volume of our business, and investment in key strategic areas across regions to further diversify our revenue. These increases were partially offset by the receipt of a legal settlement of $29,494 in 2013 related to the LCD class action settlement.

The increase in amortization expense in 2013 compared with 2012 was primarily due to our acquisition of BrightPoint, and to a lesser extent, our acquisitions of Aptec, Promark, SoftCom, CloudBlue and Shipwire.

In 2013, we incurred net reorganization costs of $34,629 primarily relating to a number of key initiatives, including: (a) the integration of BrightPoint operations into Ingram Micro, resulting in headcount reductions and the closure of certain facilities; (b) headcount reductions in Europe to respond to the current market environment, and (c) the transition of certain transaction-oriented service and support functions to shared services centers. In 2012, we incurred net reorganization costs of $9,676, primarily related to workforce reductions associated with transition of some functions to shared services centers (see Note 3 to our consolidated financial statements).

Operating margin remained relatively flat in 2013 compared to 2012, reflecting the higher gross margin as discussed above, offset by the higher SG&A expenses, amortization of intangible assets and reorganization and integration costs, all of which are discussed previously.

The increase in our North American operating margin in 2013 compared to 2012 reflects the impact of the LCD class action settlement of $28,461, or 17 basis points of North American net sales, recognized in this region, and greater contribution from higher margin businesses, offset by reorganization and integration costs of nine basis points. Throughout the year, the region continued to face competitive pricing pressure which also negatively impacted margins. In addition, the 2012 year benefited from the favorable pricing on hard disk drives of approximately six basis points.

The decrease in our European operating margin in 2013 compared to 2012 reflects the impact of incremental integration and reorganization costs**,** of eight basis points of European net sales, a charge of $5,000, or five basis points of European net sales, related to the indirect tax declarations noted above and the impact of continued challenging macro-economic conditions throughout the region.

The increase in our Asia-Pacific operating margin in 2013 compared to 2012 primarily relates to improvement in Australia, which reduced its operating loss by approximately $28,000 in the current year and continued growth in India, partially offset by volume declines in China noted above.

The increase in our Latin American operating margin in 2013 compared to 2012 primarily reflects profitability improvements in Brazil and the impact of the LCD class action settlement of $1,033, or five basis points of Latin American net sales, recognized in this region in 2013, as well as the impact country exit costs in Argentina recognized in 2012 which did not recur. These increases were partially offset by declines in higher margin revenues in Mexico and in our Miami export business versus 2012.

Operating margins for our BrightPoint segment in 2012 reflect only the results of operations from the October 15, 2012 date of acquisition, in the fourth quarter of 2012, which is the seasonally strongest and most profitable quarter of the year compared to the full year average in 2013. We continued to integrate the BrightPoint operations into our business, streamlining processes and optimizing facilities, which resulted in integration and reorganization charges of $24,977, or 55 basis points for the full year of 2013, and $6,852, or 63 basis points in the stub period of 2012, respectively, for headcount reductions and facility closures. We have exceeded our annual accretion targets for BrightPoint in 2013.

Other expense, net, consisted primarily of interest expense and income, foreign currency exchange losses and gains, and other non-operating gains and losses. We incurred other expenses of $78,776 in 2013 compared to $66,168 in 2012. The year-over-year increase is primarily attributable to higher interest expense due to an increase in average debt outstanding resulting primarily from our acquisition of BrightPoint.

We recorded an income tax provision of $125,516, or an effective tax rate of 28.8%, in 2013 compared to $90,275, or an effective tax rate of 22.8%, in 2012. The 2013 income tax provision included $18,854 of net discrete tax benefits, or 4.3 percentage points of the effective tax rate, primarily comprised of the release of valuation allowances on our deferred tax assets and the release of uncertain tax position liabilities. The prior year income tax provision included net discrete tax benefits totaling $34,890, or 8.8 percentage points of the effective tax rate, primarily comprised of a tax benefit related to the write-off of the historical tax basis of the investment we had maintained in one of our Latin American subsidiary holding companies, a tax benefit related to the partial release of a valuation allowance that had previously been recorded against foreign tax credit carryforwards maintained in the U.S., partially offset by a tax charge for a valuation allowance recorded against our deferred tax assets in Australia. The change in our effective tax rate also reflects the change in mix of profit among different tax jurisdictions and losses in other tax jurisdictions in which we are not able to record a tax benefit. Our effective tax rate may vary significantly depending on the actual operating results in the various tax jurisdictions, as well as changes in the valuation allowance related to the expected recovery of our deferred tax assets.

Year ended December 29, 2012 compared with the year ended December 31, 2011

	2012		2011		Change - Increase (Decrease)	
Net sales by reporting segment:						
North America	$ 15,880,103	42%	$ 15,250,560	42%	$ 629,543	4.1 %
Europe	10,614,811	28	11,371,043	31	(756,232)	(6.7)
Asia-Pacific	8,347,170	22	7,920,649	22	426,521	5.4
Latin America	1,943,841	5	1,786,449	5	157,392	8.8
BrightPoint	1,041,374	3	—	—	1,041,374	—
Total	$ 37,827,299	100%	$ 36,328,701	100%	$ 1,498,598	4.1 %

	2012		2011		Change - Increase (Decrease)	
Operating income and operating margin by reporting segment:						
North America	$ 283,689	1.79%	$ 281,155	1.84%	$ 2,534	(0.05)%
Europe	103,278	0.97	136,306	1.20	(33,028)	(0.23)
Asia-Pacific	53,613	0.64	46,508	0.59	7,105	0.05
Latin America	37,700	1.94	25,488	1.43	12,212	0.51
BrightPoint	11,290	1.08	—	—	11,290	1.08
Stock-based compensation	(27,218)	—	(30,811)	—	3,593	—
Total	$ 462,352	1.22%	$ 458,646	1.26%	$ 3,706	(0.04)%

	2012	2011
Net sales	100.00%	100.00%
Cost of sales	94.62	94.75
Gross profit	5.38	5.25
Operating expenses:		
Selling, general and administrative	4.08	3.95
Amortization of intangible assets	0.05	0.03
Reorganization costs	0.03	0.01
Income from operations	1.22	1.26
Other expense, net	0.17	0.19
Income before income taxes	1.05	1.07
Provision for income taxes	0.24	0.40
Net income	0.81%	0.67%

The 4.1 percent increase in our consolidated net sales in 2012 compared with 2011 largely reflects our acquisitions of BrightPoint, Aptec in Asia-Pacific and Promark in North America during the fourth quarter of 2012, which contributed approximately 3% of the year-over-year consolidated sales growth. In addition, our North America, Asia-Pacific and Latin America regions showed solid growth, partially offset by declines in Europe. Net sales in 2012 reflected a generally solid demand for technology products and services across a number of the markets in which we operate with greater strength coming from our North and Latin American regions. In 2012, the translation impacts of weaker foreign currencies relative to the U.S. dollar had a negative impact of approximately three percentage points on our consolidated net sales.

Our 4.1 percent increase in our North American net sales was driven by solid growth in all U.S. business divisions, including double-digit increases in higher margin businesses of physical security, accessories and fee-for-service logistics, offset partially by a decline in our Canadian operation primarily due to soft economic conditions and the benefit of a key product launch in 2011 that did not recur in 2012.

The 6.7 percent decrease in our European net sales in 2012 compared to 2011 in U.S. dollars was primarily attributable to the unfavorable translation impacts of weaker European currencies which contributed approximately six percentage points of the decrease in the region's net sales. Our European net sales were relatively flat in local currencies reflecting declines in our Southern European and Benelux countries, all of which continued to experience challenging economic conditions, offset by solid growth in Germany, the UK and France.

The 5.4 percent increase in our Asia-Pacific net sales in 2012 compared to 2011 was primarily attributable to the strong growth in two of our largest operations, China and India. Partially offsetting this, we continued to experience challenges in Australia, as a result of disruptions caused by the implementation of a new ERP system, which negatively affected the region’s revenue growth by five percentage points, but did not have a significant impact on the consolidated revenue growth. In addition, the translation of Asia-Pacific currencies had a negative impact of approximately two percentage points on net sales growth. Our acquisition of Aptec contributed approximately 0.9% of the year-over-year sales growth in Asia-Pacific.

The 8.8 percent increase in our Latin American net sales in 2012 compared to 2011 primarily reflected continued robust demand in the region, partially offset by the negative impact of foreign exchange translation which had a negative impact of approximately six percentage points.

Our gross margin was 5.38% in 2012 compared with 5.25% in 2011. The gross margin in 2012 and 2011 included approximately two and eight basis points, respectively, from a favorable inventory position and pricing on hard disk drives due to product shortages caused by the 2011 flooding in Thailand. The increase in gross margin in 2012 reflects the higher mix of mobility logistics services which was accretive to 2012 gross profit as a percentage of net sales by approximately 14 basis points due to the acquisition of BrightPoint and improved performance in our higher margin specialty businesses and fee-for-service logistics business, largely offset by a greater mix of high volume, lower gross margin sales. Gross margin was also impacted by a highly competitive selling environment in many countries and a greater mix of sales into the e-tail and retail segments in international markets, which is generally lower margin business.

Total SG&A expenses increased $110,695, or 7.7%, and increased 13 basis points as a percentage of net sales in 2012 compared to 2011. Approximately $86,000 of the increase relates to our acquisitions during the fourth quarter of 2012. The increase also reflects direct variable costs associated with the growth in volume of our business as well as acquisition-related costs of $11,898, asset impairments of $1,923 associated with the closure of our in-country Argentina operations, costs of $2,500 associated with the exit of our former chief executive officer, and investments in strategic initiatives and system and process improvements incurred in 2012. These factors were generally offset by the translation impacts of foreign currencies, which yielded an approximate $34,000 reduction year-over-year, a decrease in stock-based compensation expense of $3,593 associated with our long-term incentive plans and our continued cost control management.

Amortization of intangible assets was $20,711 in 2012 and $12,550 in 2011. Amortization as a percentage of net sales was 0.05% in 2012 and 0.03% in 2011. The increase in 2012 was primarily due to our acquisition of BrightPoint.

In 2012, we recorded a net charge for reorganization costs of $9,676, or approximately 0.03% of consolidated net sales, which consisted of $9,044 primarily related to employee termination benefits for workforce reductions in our Australian and New Zealand operations in Asia-Pacific, Germany and other parts of our European operations, as well as some in our Latin America and BrightPoint operations; and $632 primarily related to a previously restructured facility in North America for which we modified estimates for higher than initially expected costs through the life of the remaining lease; partially offset by the net reversal of certain employee termination obligations from reorganization actions recorded in earlier years that were settled favorably. In 2011, we recorded a net charge for reorganization costs of $5,131, or approximately 0.01% of consolidated net sales, which consisted primarily of $6,215 of employee termination benefits for workforce reductions in our Australian operations in Asia-Pacific as well as in parts of North America, Europe and Latin America, partially offset by $1,084 for the net reduction of certain lease obligation liabilities from reorganization actions recorded in earlier years that were settled favorably. See Note 3 to our consolidated financial statements for further details.

Our consolidated operating margin declined four basis points from 2011 primarily due to the higher reorganization costs and integration costs noted previously.

In North America, the decrease in our operating margin in 2012 compared to 2011 was largely due to integration costs associated with the integration of operations with BrightPoint.

The decrease in our European operating margin in 2012 compared to 2011 was largely due to the continued softness in the economic environment in region, particularly in Southern Europe and the Benelux regions. In addition, our 2011 European operating margin benefited by approximately 20 basis points from a favorable inventory position and pricing on hard disk drives due to product shortages caused by the 2011 flooding in Thailand.

Although our Asia-Pacific operating margin increased in 2012, it was lower than recent years, largely reflecting the impact of disruptions in our Australian business.

The year-over-year increase in our Latin American operating margin in 2012 primarily reflected continued sales growth in the region and improvements in our Brazilian operations.

Net other expense consisted primarily of interest income and expense, foreign currency exchange gains and losses, and other non-operating gains and losses. We incurred net other expense of $66,168 in 2012 and $70,775 in 2011. The decrease in 2012 compared to 2011 was primarily attributable to the loss recognized in 2011 of $5,624 from the termination of our cash flow hedge and write-off of the remaining unamortized deferred financing costs related to the settlement of our senior unsecured term loan in September 2011, offset partially by higher interest expense in 2012 as a result of the $300,000 in public debt issued in August 2012 and other increases in debt, which were primarily associated with our acquisition of BrightPoint, as well as higher net foreign-currency losses in 2012.

Our provision for income taxes in 2012 and 2011 was $90,275 and $143,631, respectively. Our effective tax rate in 2012 and 2011 was 22.8% and 37.0%, respectively. The year-over-year decrease in the effective tax rate in 2012 is largely driven by the net discrete tax benefits totaling $34,890, or 8.8 percentage points of decrease in the effective tax rate for the year recorded in 2012, which was discussed above. The tax provision in 2011 included a provision of $24,810 or approximately 6.4 percentage points related to a valuation allowance recorded against all of our deferred tax assets in Brazil. The remaining variations in effective tax rate were primarily attributable to a change in the mix of profit among different tax jurisdictions and losses in certain tax jurisdictions in which we were not able to record a tax benefit due to uncertainty of realizability.

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 various factors as more fully described in Part I, Item 1A. "Risk Factors."

The following table sets forth certain unaudited quarterly historical financial data for each of the eight quarters in the two years ended December 28, 2013. This unaudited quarterly information has been prepared on the same basis as the annual information presented elsewhere herein and, in our opinion, includes all adjustments necessary for a fair statement of the selected quarterly information. This information should be read in conjunction with the consolidated financial statements and notes thereto included, as well as elsewhere in this Annual Report on Form 10-K. The operating results for any quarter shown are not necessarily indicative of results for any future period.

	Net Sales	Gross Profit	Income From Operations	Income Before Income Taxes	Net Income	Diluted Earnings Per Share
2013						
Quarter Ended:(1)(2)(3)						
March 30, 2013	$ 10,262,444	$ 585,305	$ 90,796	$ 76,052	$ 49,759	$ 0.32
June 29, 2013	10,308,015	595,754	113,796	93,626	69,686	0.45
September 28, 2013	10,150,615	598,833	137,691	113,503	78,938	0.50
December 28, 2013	11,832,844	709,665	172,592	152,917	112,200	0.71
2012						
Quarter Ended:(1)(2)(4)						
March 31, 2012	$ 8,635,381	$ 467,557	$ 104,051	$ 88,590	$ 89,973	$ 0.58
June 30, 2012	8,777,895	452,730	97,785	83,458	61,274	0.40
September 29, 2012	9,034,141	453,892	92,649	75,026	53,311	0.35
December 29, 2012	11,379,882	661,210	167,867	149,110	101,351	0.66

(1) Diluted earnings per share is calculated independently each quarter and for the full year based upon their respective weighted average shares outstanding. Therefore, the sum of the quarterly earnings per share may not equal the annual earnings per share reported.
(2) Results from our acquisition of BrightPoint are included from the date of acquisition in the fourth quarter of 2012 and for all periods in 2013.
(3) Includes the net pre-tax impact of reorganization, acquisition, integration and other transition costs as follows: first quarter, $13,244; second quarter, $10,566; third quarter, $10,591; and fourth quarter, $25,161. Includes the pre-tax impact of a charge of approximately $5,000 recorded for estimated potential penalties and other charges related to indirect tax declarations in Europe in the third quarter. Includes the pre-tax benefit of the receipt of a legal settlement of $29,494 in the third quarter.
(4) Includes the net pre-tax impact of reorganization, acquisition, integration and other transition costs as follows: first quarter, $3,057; second quarter, $6,850; third quarter, $7,538; and fourth quarter, $8,596. Includes a discrete tax benefit of $28,532 in the first quarter primarily from the write-off of historical tax basis of the investment we had maintained in our Latin American subsidiary holding companies.

Liquidity and Capital Resources

Cash Flows

Our cash and cash equivalents totaled $674,390 and $595,147 at December 28, 2013 and December 29, 2012, respectively. We finance our working capital needs and investments in the business largely through net income before noncash items, available cash, trade and supplier credit and various financing facilities. As a distributor, our business requires significant investment in working capital, particularly trade accounts receivable and inventory, which is partially financed by vendor trade accounts payable. As a general rule, when sales volumes are increasing, our net investment in working capital dollars typically increases, which generally results in decreased cash flow generated from operating activities. Conversely, when sales volume decreases, our net investment in working capital decreases, which generally results in increases in cash flows generated from operating activities. Our working capital days at the end of 2013 were 22 days, compared to 23 days at the end of 2012 and 22 days at the end of 2011. The improvement at the end of 2013 primarily reflected favorable collections of receivables. The level of working capital can vary from period to period due to routine variances in the timing of collections from customers or payments to vendors and changes in stocking levels of inventory, but have generally trended within a range of 22 to 26 days. The following is a detailed discussion of our cash flows for 2013, 2012 and 2011.

Operating activities provided net cash of $466,040, $45,721 and $295,859 in 2013, 2012 and 2011, respectively. The cash flows from operations in 2013 primarily reflects net income before noncash charges and the favorable impact of the changes in working capital noted above. The cash provided by operations in 2012 reflected the lower net income before noncash charges as well as the unfavorable changes of working capital. The net cash provided by operating activities in 2011 principally reflected our net income before noncash charges, offset partially by an increase in our net working capital.

Investing activities used net cash of $228,356, $989,029 and $124,620 in 2013, 2012 and 2011, respectively. The net cash used in 2013 was primarily due to cash payments related to the acquisitions of SoftCom, CloudBlue and Shipwire totaling $135,763 and capital expenditures of $95,639. The net cash used in 2012 was primarily due to cash payments related to the acquisitions of BrightPoint, Aptec and Promark totaling $899,464 and capital expenditures of $92,300. The net cash used in 2011 was primarily related to capital expenditures of $122,188. The capital expenditures for 2013 and 2012 were lower than 2011 driven by higher investments in 2011 to enhance our underlying infrastructure and IT systems and an incremental investment in a new warehouse facility in Australia in 2011. We presently estimate that our capital expenditures will approximate $115,000 in 2014 for ongoing investments to support existing infrastructure and continued enhancements to our IT systems.

Financing activities used net cash of $155,910 and $414,042 in 2013 and 2011, respectively, and provided net cash of $639,761 in 2012. The net cash used by financing activities in 2013 primarily reflects the net payment of $195,729 on our revolving credit facilities with funds generated from operating cash flows; partially offset by the proceeds of $43,384 from the exercise of stock options. The net cash provided by financing activities in 2012 primarily reflects (i) $296,256 in net proceeds from the issuance of our $300,000 senior unsecured notes due in 2022 issued primarily to help fund the BrightPoint acquisition, (ii) net proceeds of $355,918 from our other debt facilities and (iii) proceeds from exercises of stock options of $31,335; all partially offset by the repurchase of Class A Common Stock for $50,000 under our stock repurchase programs. The increased proceeds from our financing activities in 2012 were largely used to finance our acquisition of BrightPoint. The net cash used by financing activities in 2011 primarily reflects the repayment of the outstanding principal balance of our senior unsecured term loan and related interest rate swap agreement of $239,752 and the repurchase of $225,905 of Class A Common Stock with funds generated from operating cash flows and existing cash balances.

Our levels of debt and cash and cash equivalents are highly influenced by our working capital needs. As such, our cash and cash equivalents balances and borrowings fluctuate at each quarter end and may also fluctuate significantly within a quarter. The fluctuation is the result of the concentration of payments received from customers toward the end of each month, as well as the timing of payments made to our vendors. Accordingly, our period-end debt and cash balances may not be reflective of our average levels or maximum debt and/or minimum cash levels during the periods presented or at any other point in time.

Capital Resources

We have a range of financing facilities which are diversified by type, maturity and geographic region with various financial institutions worldwide with a total capacity of approximately $3,531,000, of which $846,226 was outstanding, at December 28, 2013. These facilities have staggered maturities through 2022. Our cash and cash equivalents totaled $674,390 and $595,147 at December 28, 2013 and December 29, 2012, respectively, of which $521,571 and $533,585, respectively, resided in operations outside of the U.S. We currently intend to use these funds to finance our foreign operations. Additionally, our ability to repatriate these funds to the U.S. in an economical manner may be limited. Our cash balances are deposited and/or invested with various financial institutions globally that we endeavor to monitor regularly for credit quality. However, we are exposed to risk of loss on funds deposited with various financial institutions and money market mutual funds and we may experience significant disruptions in our liquidity needs if one or more of these financial institutions were to suffer bankruptcy or similar restructuring. As of December 28, 2013 and December 29, 2012, we had book overdrafts of $347,837 and $415,207, respectively, representing checks issued on disbursement bank accounts but not yet paid by such banks. These amounts are classified as accounts payable in our consolidated balance sheet and are typically paid by the banks in a relatively short period of time. We believe that our existing sources of liquidity provide sufficient resources to meet our capital requirements, including the potential need to post cash collateral for identified contingencies (see Note 10 to our consolidated financial statements and Item 3. “Legal Proceedings” under Part I for further discussion of identified contingencies), for at least the next twelve months. Nevertheless, depending on capital and credit market conditions, we may from time to time seek to increase or decrease our available capital resources through changes in our debt or other financing facilities. Finally, since the capital and credit markets can be volatile, we may be limited in our ability to replace in a timely manner maturing credit facilities and other indebtedness on terms acceptable to us, or at all, or to access committed capacities due to the inability of our finance partners to meet their commitments to us. The following is a detailed discussion of our various financing facilities.

In August 2012, we issued through a public offering $300,000 of 5.00% senior unsecured notes due 2022, resulting in cash proceeds of approximately $296,256, net of discount and issuance costs of $1,794 and $1,950, respectively. Interest on the notes is payable semiannually in arrears on February 10 and August 10, commencing February 10, 2013. At December 28, 2013 and December 29, 2012, our senior unsecured notes due 2022 had a carrying value of $298,454 and $298,275, respectively, net of unamortized discount of $1,546 and $1,725, respectively. At December 28, 2013 and December 29, 2012, we also had $300,000 of 5.25% senior unsecured notes due 2017. Interest on these notes is payable semiannually in arrears on March 1 and September 1 of each year. These notes may be redeemed by us in whole at any time or in part from time to time, at our option, at redemption prices that are designated in the terms and conditions of the respective notes.

We have a revolving trade accounts receivable-backed financing program in North America which provides for up to $675,000 in borrowing capacity. This financing program matures in November 2015. This financing program, subject to the financial institutions' approval and availability of eligible receivables, may be increased to $900,000 in accordance with the extended terms of the program. The interest rate of this program is dependent on designated commercial paper rates (or, in certain circumstances, an alternate rate) plus a predetermined margin. We had borrowings of $199,000 and $345,000 at December 28, 2013 and December 29, 2012, respectively, under this North American financing program.

We have three revolving trade accounts receivable-backed financing programs in Europe and in Asia-Pacific:

a) a program which provides for a borrowing capacity of up to €105,000, or approximately $145,000 at December 28, 2013 exchange rates. In June 2013, we entered into an agreement to increase the borrowing capacity of this program to €105,000 from the previous amount of €100,000 and to extend its maturity to January 2017.
b) A program which provides for a maximum borrowing capacity of up to €45,000, or approximately $62,000 at December 28, 2013 exchange rates. In May 2013, this program was extended and in June 2013, we entered into an agreement to reduce the borrowing capacity of this program to €45,000 from the previous amount of €90,000 and to extend its maturity to May 2016.
c) A program which provides for a maximum borrowing capacity of up to 160,000 Australian dollars, or approximately $142,000 at December 28, 2013 exchange rates, maturing in May 2014.

The current programs require certain commitment fees, and borrowings under this program incur financing costs based on the local short-term bank indicator rate for the currency in which the drawing is made plus a predetermined margin. We had no borrowings at December 28, 2013 or December 29, 2012 under any of these three financing programs.

Our ability to access financing under all our trade accounts receivable-backed financing programs in North America, Europe and Asia-Pacific, as discussed above, is dependent upon the level of eligible trade accounts receivable as well as continued covenant compliance. We may lose access to all or part of our financing under these programs under certain circumstances, including: (a) a reduction in sales volumes leading to related lower levels of eligible trade accounts receivable; (b) failure to meet certain defined eligibility criteria for the trade accounts receivable, such as receivables remaining assignable and free of liens and dispute or set-off rights; (c) performance of our trade accounts receivable; and/or (d) loss of credit insurance coverage for our European and Asia-Pacific facilities. At December 28, 2013, our actual aggregate capacity under these programs was approximately $997,000 based on eligible trade accounts receivable available, of which $199,000 of such capacity was used. Even if we do not borrow, or choose not to borrow to the full available capacity of certain programs, most of our trade accounts receivable-backed financing programs prohibit us from assigning, transferring or pledging the underlying eligible receivables as collateral for other financing programs. At December 28, 2013, the amount of trade accounts receivable which would be restricted in this regard totaled approximately $1,525,000.

We have a $940,000 revolving senior unsecured credit facility from a syndicate of multinational banks. In August 2013, we entered into an amendment of this facility to extend its maturity to September 2018. In addition, the amendment provides an option to increase the total commitment by $310,000, subject to certain conditions. The interest rate on this facility is based on LIBOR plus a predetermined margin that is based on our debt ratings and leverage ratio. We had no borrowings at December 28, 2013 or December 29, 2012 under this revolving senior unsecured credit facility. This credit facility may also be used to issue letters of credit. At December 28, 2013 and December 29, 2012, letters of credit of $7,996 and $4,491, respectively, were issued to certain vendors and financial institutions to support purchases by our subsidiaries, payment of insurance premiums and flooring arrangements. Our available capacity under the agreement is reduced by the amount of any outstanding letters of credit.

We also have additional lines of credit, short-term overdraft facilities and other credit facilities with various financial institutions worldwide, which provide for borrowing capacity aggregating approximately $969,000 at December 28, 2013. Most of these arrangements are on an uncommitted basis and are reviewed periodically for renewal. At December 28, 2013 and December 29, 2012, respectively, we had $48,772 and $111,268 outstanding under these facilities. The weighted average interest rate on the outstanding borrowings under these facilities, which may fluctuate depending on geographic mix, was 9.0% and 7.9% per annum at December 28, 2013 and December 29, 2012, respectively. At December 28, 2013 and December 29, 2012, letters of credit totaling $31,636 and $30,829, respectively, were issued to various customs agencies and landlords to support our subsidiaries. The issuance of these letters of credit reduces our available capacity under these agreements by the same amount.

Covenant Compliance

We are required to comply with certain financial covenants under the terms of certain of our financing facilities, including restrictions on funded debt and liens and covenants related to tangible net worth, leverage and interest coverage ratios and trade accounts receivable portfolio performance including metrics related to receivables and payables. We are also restricted by other covenants, including, but not limited to, restrictions on the amount of additional indebtedness we can incur, dividends we can pay, and the amount of common stock that we can repurchase annually. At December 28, 2013, we were in compliance with all material covenants or other material requirements set forth in our trade accounts receivable-backed programs, senior unsecured notes due 2017 and 2022, revolving unsecured credit facility and other credit agreements, as discussed above.

Trade Accounts Receivable Factoring Programs

We have several uncommitted factoring programs under which trade accounts receivable of two large customers may be sold, without recourse, to financial institutions. Available capacity under these programs is dependent on the level of our trade accounts receivable eligible to be sold into these programs and the financial institutions' willingness to purchase such receivables. At December 28, 2013 and December 29, 2012, we had a total of $381,451 and $242,626, respectively, of trade accounts receivable sold to and held by the financial institutions under these programs.

Contractual Obligations and Off-Balance Sheet Arrangements

The following table summarizes our financing capacity and contractual obligations at December 28, 2013, and the effects that scheduled payments on such obligations are expected to have on our liquidity and cash flows in future periods. The amounts do not include interest. Except for interest related to our $300,000 of 5.00% and $300,000 of 5.25% senior unsecured notes, all other interest is incurred at variable rates (see Note 6 to our consolidated financial statements).

			Payments Due by Period			
Contractual Obligations	**Total Capacity**	**Balance Outstanding**	**Less Than 1 Year**	**1 — 3 Years**	**3 — 5 Years**	**After 5 Years**
Senior unsecured notes	$ 598,454	$ 598,454	$ —	$ —	$ 300,000	$ 298,454
North American revolving trade accounts receivable-backed financing program(1)	675,000	199,000	—	199,000	—	—
Europe revolving trade accounts receivable-backed financing programs(1)	207,000	—	—	—	—	—
Asia-Pacific revolving trade accounts receivable-backed financing program(1)	142,000	—	—	—	—	—
Revolving senior unsecured credit facilities(2)	940,000	—	—	—	—	—
Lines of credit and other(2)	969,000	48,772	48,772	—	—	—
Subtotal	3,531,454	846,226	48,772	199,000	300,000	298,454
Minimum payments under:						
Operating leases(3)	422,447	422,447	102,351	131,644	92,002	96,450
Total	$ 3,953,901	$ 1,268,673	$ 151,123	$ 330,644	$ 392,002	$ 394,904

(1) The aggregate capacity amount of $1,024,000 for these programs in the table above represents the maximum capacity available under these facilities. Our actual capacity is dependent upon the amount of eligible trade accounts receivable that may be used to support these facilities. As of December 28, 2013, our actual aggregate capacity under these programs based on eligible trade accounts receivable was approximately $997,000, of which $199,000 of such capacity was used.

(2) The capacity amount in the table above represents the maximum capacity available under these facilities. Certain of these facilities can also be used to support letters of credit. At December 28, 2013, letters of credit totaling $39,632 were issued to certain vendors to support payment of insurance claims or the performance by our subsidiaries with respect to certain lease agreements, vendor purchase obligations, or other operating liabilities. The issuance of these letters of credit also reduces our available capacity under the respective facilities by the same amount.

(3) We lease the majority of our facilities and certain vehicles and equipment under noncancelable operating leases. Amounts in this table represent future minimum payments on operating leases that have original noncancelable lease terms in excess of 12 months.

We have guarantees to third parties that provide financing to a limited number of our customers. Net sales under these arrangements accounted for less than one percent of our consolidated net sales for each of 2013, 2012 and 2011. The guarantees require us to reimburse the third party for defaults by these customers up to an aggregate of $5,600. The fair value of these guarantees has been recognized as cost of sales to these customers and is included in other accrued liabilities.

In connection with the acquisition of businesses in 2013 and 2012, we entered into acquisition agreements which include provisions to make additional contingent consideration payments. As of December 28, 2013, the accrual for potential contingent consideration payments under these agreements is $3,650.

Because our commitments under our employee benefit plans are not fixed amounts, they have not been included in the contractual obligations table.

Other Matters

See Part I, Item 3. “Legal Proceedings” for discussions of legal matters and contingencies.

New Accounting Standards

See Note 2 to our consolidated financial statements for the discussion of new accounting standards.

Market Risk

We are exposed to the impact of foreign currency fluctuations and interest rate changes due to our international sales and global funding. In the normal course of business, we employ established policies and procedures to manage our exposure to fluctuations in the value of foreign currencies using a variety of financial instruments. It is our policy to utilize financial instruments to reduce risks where internal netting cannot be effectively employed and not to enter into foreign currency or interest rate transactions for speculative purposes.

Our foreign currency risk management objective is to protect our earnings and cash flows resulting from sales, purchases and other transactions from the adverse impact of exchange rate movements. Foreign exchange risk is managed by using forward contracts to offset exchange risk associated with receivables and payables. We generally maintain hedge coverage between minimum and maximum percentages. Cross-currency interest rate swaps are used to hedge foreign currency denominated principal and interest payments related to intercompany and third-party loans. During 2013, hedged transactions were denominated in U.S. dollars, Canadian dollars, euros, British pounds, Danish krone, Hungarian forint, Israeli shekel, Norwegian kroner, Swedish krona, Swiss francs, Polish zloty, South African rand, Australian dollars, Chinese yuan, Indian rupees, Malaysian ringgit, New Zealand dollars, Philippine pesos, Singaporean dollars, Thai baht, Indonesian rupiah, Brazilian reais, Chilean pesos and Mexican pesos.

We are exposed to changes in interest rates on a portion of our long-term debt used to maintain liquidity and finance working capital, capital expenditures and business expansion. Our management objective is to finance our business at interest rates that are competitive in the marketplace while moderating our exposure to volatility in interest costs. To achieve our objectives, we may utilize both variable- and fixed-rate debt with a portion of our variable interest rate exposure from time to time mitigated through interest rate swaps.

Market Risk Management

Foreign exchange and interest rate risk and related derivatives used are monitored using a variety of techniques including a review of market value, sensitivity analysis and Value-at-Risk, or VaR. The VaR model determines the maximum potential loss in the fair value of market-sensitive financial instruments assuming a one-day holding period. The VaR model estimates were made assuming normal market conditions and a 95% confidence level. There are various modeling techniques that can be used in the VaR computation. Our computations are based on interrelationships between currencies and interest rates (a “variance/co-variance” technique). The model includes all of our forwards, interest rate swaps, fixed-rate debt and nonfunctional currency denominated cash and debt (i.e., our market-sensitive derivative and other financial instruments as defined by the SEC). The trade accounts receivable and accounts payable denominated in foreign currencies, which certain of these instruments are intended to hedge, were excluded from the model.

The VaR model is a risk analysis tool and does not purport to represent actual losses in fair value that will be incurred by us, nor does it consider the potential effect of favorable changes in market rates. It also does not represent the maximum possible loss that may occur. Actual future gains and losses will likely differ from those estimated because of changes or differences in market rates and interrelationships, hedging instruments and hedge percentages, timing and other factors.

The estimated maximum potential one-day loss in fair value, calculated using the VaR model would be $10,067 and $7,309 as of December 28, 2013 and December 29, 2012, respectively. We believe that the hypothetical loss in fair value of our derivatives would be offset by gains in the value of the underlying transactions being hedged.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Information concerning quantitative and qualitative disclosures about market risk is included under the captions "Market Risk" and "Market Risk Management" in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Annual Report on Form 10-K.

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INGRAM MICRO INC.

CONSOLIDATED BALANCE SHEET
(In 000s, except par value)

	Fiscal Year End	
	2013	**2012**
ASSETS		
Current assets:		
Cash and cash equivalents	$ 674,390	$ 595,147
Trade accounts receivable (less allowances of $69,533 and $78,034)	5,454,832	5,457,299
Inventory	3,724,447	3,591,543
Other current assets	521,902	522,390
Total current assets	10,375,571	10,166,379
Property and equipment, net	488,699	481,324
Goodwill	527,526	428,401
Intangible assets, net	375,423	372,482
Other assets	23,976	31,862
Total assets	$ 11,791,195	$ 11,480,448
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 6,175,604	$ 6,065,159
Accrued expenses	710,040	585,404
Short-term debt and current maturities of long-term debt	48,772	111,268
Total current liabilities	6,934,416	6,761,831
Long-term debt, less current maturities	797,454	943,275
Other liabilities	109,700	164,089
Total liabilities	7,841,570	7,869,195
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Preferred Stock, $0.01 par value, 25,000 shares authorized; no shares issued and outstanding	—	—
Class A Common Stock, $0.01 par value, 500,000 shares authorized; 191,877 and 188,349 shares issued and 154,356 and 150,320 shares outstanding in 2013 and 2012, respectively	1,919	1,883
Class B Common Stock, $0.01 par value, 135,000 shares authorized; no shares issued and outstanding	—	—
Additional paid-in capital	1,413,949	1,361,650
Treasury stock, 37,521 and 38,029 shares in 2013 and 2012, respectively	(639,300)	(648,066)
Retained earnings	3,061,487	2,750,904
Accumulated other comprehensive income	111,570	144,882
Total stockholders' equity	3,949,625	3,611,253
Total liabilities and stockholders' equity	$ 11,791,195	$ 11,480,448

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.

CONSOLIDATED STATEMENT OF INCOME
(In 000s, except per share data)

	Fiscal Year Ended		
	2013	2012	2011
Net sales	$ 42,553,918	$ 37,827,299	$ 36,328,701
Cost of sales	40,064,361	35,791,910	34,420,419
Gross profit	2,489,557	2,035,389	1,908,282
Operating expenses:			
Selling, general and administrative	1,891,573	1,542,650	1,431,955
Amortization of intangible assets	48,480	20,711	12,550
Reorganization costs	34,629	9,676	5,131
	1,974,682	1,573,037	1,449,636
Income from operations	514,875	462,352	458,646
Other expense (income):			
Interest income	(7,652)	(10,216)	(5,673)
Interest expense	59,165	55,690	52,509
Net foreign currency exchange loss	11,578	10,546	4,789
Loss from settlement of interest rate swap and senior unsecured term loan	—	—	5,624
Other	15,685	10,148	13,526
	78,776	66,168	70,775
Income before income taxes	436,099	396,184	387,871
Provision for income taxes	125,516	90,275	143,631
Net income	$ 310,583	$ 305,909	$ 244,240
Basic earnings per share	$ 2.03	$ 2.03	$ 1.57
Diluted earnings per share	$ 1.99	$ 1.99	$ 1.53

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(In 000s)

	Fiscal Year Ended		
	2013	2012	2011
Net income	$ 310,583	$ 305,909	$ 244,240
Other comprehensive income (loss), net of tax			
Foreign currency translation adjustment	(33,312)	31,216	(63,601)
Unrealized holding gain on interest rate swap agreement designated as a cash flow hedge	—	—	9,254
Other comprehensive income (loss), net of tax	(33,312)	31,216	(54,347)
Comprehensive income	$ 277,271	$ 337,125	$ 189,893

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(In 000s)

	Class A Common Stock	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
January 1, 2011	$ 1,825	$ 1,259,406	$ (388,817)	$ 2,200,755	$ 168,013	$ 3,241,182
Stock options exercised and shares issued under the stock plan, net of shares withheld for employee taxes	26	33,145				33,171
Income tax benefits for stock plan awards		3,625				3,625
Stock-based compensation expense		30,811				30,811
Repurchase of Class A Common Stock			(225,905)			(225,905)
Issuance of treasury shares, net of shares withheld for employee taxes		(10,391)	10,391			—
Comprehensive income				244,240	(54,347)	189,893
December 31, 2011	1,851	1,316,596	(604,331)	2,444,995	113,666	3,272,777
Stock options exercised and shares issued under the stock plan, net of shares withheld for employee taxes	32	18,291				18,323
Income tax benefits for stock plan awards		5,810				5,810
Stock-based compensation expense		27,218				27,218
Repurchase of Class A Common Stock			(50,000)			(50,000)
Issuance of treasury shares, net of shares withheld for employee taxes		(6,265)	6,265			—
Comprehensive income				305,909	31,216	337,125
December 29, 2012	1,883	1,361,650	(648,066)	2,750,904	144,882	3,611,253
Stock options exercised and shares issued under the stock plan, net of shares withheld for employee taxes	36	30,303				30,339
Income tax benefits for stock plan awards		422				422
Stock-based compensation expense		30,340				30,340
Issuance of treasury shares, net of shares withheld for employee taxes		(8,766)	8,766			—
Comprehensive income				310,583	(33,312)	277,271
December 28, 2013	$ 1,919	$ 1,413,949	$ (639,300)	$ 3,061,487	$ 111,570	$ 3,949,625

See accompanying notes to these consolidated financial statements.

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INGRAM MICRO INC.

CONSOLIDATED STATEMENT OF CASH FLOWS

(In 000s)

	Fiscal Year Ended		
	2013	**2012**	**2011**
Cash flows from operating activities:			
Net income	$ 310,583	$ 305,909	$ 244,240
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	128,915	70,416	57,282
Stock-based compensation	30,340	27,218	30,811
Excess tax benefit from stock-based compensation	(1,944)	(6,252)	(3,133)
Loss from settlement of interest rate swap and senior unsecured term loan	—	—	5,624
Loss on disposal of property and equipment	8,399	—	—
Gain on sale of land and building	(1,045)	—	(474)
Noncash charges for interest and bond discount amortization	2,554	2,017	2,065
Deferred income taxes	(33,087)	(5,917)	28,825
Changes in operating assets and liabilities, net of effects of acquisitions:			
Trade accounts receivable	(66,400)	(438,642)	(425,690)
Inventory	(159,779)	(200,351)	(79,137)
Other current assets	(13,654)	22,552	53,947
Accounts payable	234,913	468,961	407,477
Change in book overdrafts	(67,370)	(95,965)	(5,935)
Accrued expenses	93,615	(104,225)	(20,043)
Cash provided by operating activities	466,040	45,721	295,859
Cash flows from investing activities:			
Capital expenditures	(95,639)	(92,300)	(122,188)
Sale of (investment in) marketable trading securities, net	1,877	2,735	(1,426)
Proceeds from sale of land and building	1,169	—	1,100
Acquisitions and earn-out payments, net of cash acquired	(135,763)	(899,464)	(2,106)
Cash used by investing activities	(228,356)	(989,029)	(124,620)
Cash flows from financing activities:			
Proceeds from exercise of stock options	43,384	31,335	39,465
Repurchase of Class A Common Stock	—	(50,000)	(225,905)
Excess tax benefit from stock-based compensation	1,944	6,252	3,133
Net proceeds from issuance of senior unsecured notes	—	296,256	—
Repayment of senior unsecured term loan	—	—	(239,752)
Fees associated with the amendment and extension of credit facilities	(1,086)	—	—
Net proceeds (repayments) on revolving credit facilities	(195,729)	355,918	9,017
Other	(4,423)	—	—
Cash provided (used) by financing activities	(155,910)	639,761	(414,042)
Effect of exchange rate changes on cash and cash equivalents	(2,531)	7,291	(21,345)
Increase (decrease) in cash and cash equivalents	79,243	(296,256)	(264,148)
Cash and cash equivalents, beginning of year	595,147	891,403	1,155,551
Cash and cash equivalents, end of year	$ 674,390	$ 595,147	$ 891,403
Supplemental disclosures of cash flow information:			
Cash payments during the year:			
Interest	$ 57,492	$ 53,286	$ 51,703
Income taxes	$ 144,978	$ 103,616	$ 110,336

See accompanying notes to these consolidated financial statements.

INGRAM MICRO INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In 000s, except per share data)

Note 1 — Organization and Basis of Presentation

Ingram Micro Inc. and its subsidiaries are primarily engaged in the distribution of information technology ("IT") products, supply chain services and mobile device lifecycle services worldwide. Ingram Micro Inc. and its subsidiaries operate in North America, Europe, Asia-Pacific, Middle East and Africa, and Latin America. Beginning in 2012, we added a reportable segment for mobility which reflects our acquisition of Brightpoint, Inc. ("BrightPoint").

Note 2 — Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements include the accounts of Ingram Micro Inc. and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. Unless the context otherwise requires, the use of the terms "Ingram Micro," "we," "us" and "our" in these notes to the consolidated financial statements refers to Ingram Micro Inc. and its subsidiaries.

Fiscal Year

Our fiscal year is a 52- or 53-week period ending on the Saturday nearest to December 31. All references herein to "2013," "2012," and "2011" represent the 52-week fiscal years ended December 28, 2013, December 29, 2012 and December 31, 2011, respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S.") requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the financial statement date, and reported amounts of revenue and expenses during the reporting period. We review our estimates and assumptions on an on-going basis. Significant estimates primarily relate to the realizable value of accounts receivable, vendor programs, inventory, goodwill, intangible and other long-lived assets, income taxes and contingencies and litigation. Actual results could differ from these estimates.

Revenue Recognition

Revenue is recognized when: an arrangement exists; delivery has occurred, including transfer of title and risk of loss for product sales, or services have been rendered for service revenues; the price to the buyer is fixed or determinable; and collection is reasonably assured. Service revenues represent less than 10% of total net sales for 2013, 2012 and 2011. We, under specific conditions, permit our customers to return or exchange products. The provision for estimated sales returns is recorded concurrently with the recognition of revenue. The net impact on gross margin from estimated sales returns is included in allowances against trade accounts receivable in the consolidated balance sheet. We also have limited contractual relationships with certain of our customers and suppliers whereby we assume an agency relationship in the transaction. In such arrangements, we recognize as revenues the net fee associated with serving as an agent.

Vendor Programs

Funds received from vendors for price protection, product rebates, marketing/promotion, infrastructure reimbursement and meet-competition programs are recorded as adjustments to product costs, revenue, or selling, general and administrative ("SG&A") expenses according to the nature of the program. Some of these programs may extend over one or more quarterly reporting periods. We accrue rebates or other vendor incentives as earned based on sales of qualifying products or as services are provided in accordance with the terms of the related program.

We sell products purchased from many vendors, but generated approximately 15%, 18% and 21% of our net sales in 2013, 2012 and 2011, respectively, from products purchased from Hewlett-Packard Company, and approximately 10% of our consolidated net sales in 2012 from products purchased from Apple Inc. The year-over-year decreases in products purchased from these vendors, as a percentage of net sales, for the periods discussed above reflects the higher mix of products purchased from other vendors as a result of changes in the market in general and our acquisition of BrightPoint which does not have significant products purchased from these vendors. There were no other vendors whose products represented 10% or more of our net sales for each of the last three fiscal years.

Warranties

Our suppliers generally warrant the products distributed by us and allow returns of defective products, including those that have been returned to us by our customers. We generally do not independently warrant the products we distribute; however, local laws might impose warranty obligations upon distributors (such as in the case of supplier liquidation). We are 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. In addition, we warrant the services we provide, products that we build-to-order from components purchased from other sources, and our own branded products. Provision for estimated warranty costs is recorded at the time of sale and periodically adjusted to reflect actual experience. Warranty expense and the related obligations are not material to our consolidated financial statements.

Foreign Currency Translation and Remeasurement

Financial statements of our foreign subsidiaries, for which the functional currency is the local currency, are translated into U.S. dollars using the exchange rate at each balance sheet date for assets and liabilities and a weighted average exchange rate for each period for statement of income items. Translation adjustments are recorded in accumulated other comprehensive income, a component of stockholders' equity. The functional currency of a few operations within our Europe, Asia-Pacific and Latin America regions is the U.S. dollar; accordingly, the monetary assets and liabilities of these subsidiaries are remeasured into U.S. dollars at the exchange rate in effect at the balance sheet date. Revenues, expenses, gains or losses are remeasured at the average exchange rate for the period, and nonmonetary assets and liabilities are remeasured at historical rates. The resultant remeasurement gains and losses of these operations as well as gains and losses from foreign currency transactions are included in the consolidated statement of income.

Cash and Cash Equivalents

We consider all highly liquid investments with original maturities of three months or less from the date of purchase to be cash equivalents.

Book overdrafts of $347,837 and $415,207 as of December 28, 2013 and December 29, 2012, respectively, represent checks issued on disbursement bank accounts but not yet paid by such banks. These amounts are classified as accounts payable in our consolidated balance sheet. We typically fund these overdrafts through normal collections of funds or transfers from bank balances at other financial institutions. Under the terms of our facilities with the banks, the respective financial institutions are not legally obligated to honor the book overdraft balances as of December 28, 2013 and December 29, 2012, or any balance on any given date.

Trade Accounts Receivable Factoring Programs

We have several uncommitted factoring programs under which trade accounts receivable of two large customers may be sold, without recourse, to financial institutions. Available capacity under these programs is dependent on the level of our trade accounts receivable eligible to be sold into these programs and the financial institutions' willingness to purchase such receivables. At December 28, 2013 and December 29, 2012, we had a total of $381,451 and $242,626, respectively, of trade accounts receivable sold to and held by the financial institutions under these programs. Factoring fees of $2,851, $3,822 and $3,068 incurred in 2013, 2012 and 2011, respectively, related to the sale of trade accounts receivable under both facilities are included in "other" in the other expense (income) section of our consolidated statement of income.

Inventory

Our inventory consists of finished goods purchased from various vendors for resale. Inventory is stated at the lower of average cost or market, and is determined from the price we pay vendors, including freight and duties. We do not include labor, overhead or other general or administrative costs in our inventory.

(In 000s, except per share data)

Property and Equipment

Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful lives noted below. We also capitalize computer software costs that meet both the definition of internal-use software and defined criteria for capitalization. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life. Depreciable lives of property and equipment are as follows:

Buildings	30-40 years
Leasehold improvements	3-17 years
Distribution equipment	5-10 years
Computer equipment and software	3-10 years

Maintenance, repairs and minor renewals are charged to expense as incurred. Additions, major renewals and betterments to property and equipment are capitalized.

Long-Lived and Intangible Assets

We assess potential impairments to our long-lived and intangible assets when events or changes in circumstances indicate that the carrying amount may not be fully recoverable. If required, an impairment loss is recognized as the difference between the carrying value and the fair value of the assets. The gross carrying amounts of finite-lived identifiable intangible assets of $496,789 and $445,385 at December 28, 2013 and December 29, 2012, respectively, are amortized over their remaining estimated lives ranging up to 20 years with the predominant amounts having lives of 3 to 10 years. The net carrying amount was $375,423 and $372,482 at December 28, 2013 and December 29, 2012, respectively. Amortization expense was $48,480, $20,711 and $12,550 for 2013, 2012 and 2011, respectively. Future minimum amortization expense of finite-lived identifiable intangible assets that we expect to recognize over the next five years and thereafter are as follows:

2014	$	57,038
2015		54,702
2016		48,189
2017		48,094
2018		47,259
Thereafter		120,141
	$	375,423

There were no impairments to our long-lived and other identifiable intangible assets in 2013, 2012 and 2011.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of the identifiable net assets acquired in an acquisition and is reviewed annually for potential impairment, or when circumstances warrant.

Additions to goodwill in 2013 were due to our acquisitions of SoftCom, Inc. ("SoftCom"), CloudBlue Technologies, Inc. ("CloudBlue") and Shipwire, Inc. ("Shipwire") in North America during the third and fourth quarters of 2013. Additionally, we adjusted goodwill in 2013 to reflect the finalization of the allocation of purchase price related to the fourth quarter 2012 acquisitions of BrightPoint, Aptec Holdings Ltd. ("Aptec") and Promark Technology Inc. ("Promark"). The adjustments include the finalization of the valuation of a noncontrolling interest in one of the acquired BrightPoint subsidiaries as well as the assessment of certain tax matters (see Note 4 "Acquisitions, Goodwill and Intangible Assets").

Goodwill is required to be tested for impairment at least annually or sooner whenever events or changes in circumstances indicate that goodwill may be impaired. We perform our annual goodwill impairment review during our fiscal fourth quarter, using a combination of the income and market approach. Our annual review indicated that we had no impairment of goodwill, and all of our reporting units had estimated fair values that were in excess of their carrying values, including goodwill. In addition, we regularly evaluate whether events and circumstances have occurred that may indicate a potential change in recoverability of goodwill, including a deterioration in general economic conditions, an increased competitive environment, a change in management, key personnel, strategy, vendors, or customers, negative or declining cash flows, or a decline in actual or planned revenue or earnings compared with actual and projected results of relevant prior periods.

(In 000s, except per share data)

The changes in the carrying amount of goodwill for 2013 are as follows:

	North America	Asia-Pacific	BrightPoint	Total
Balance at December 31, 2011	$ —	$ —	$ —	$ —
Acquisitions	4,555	4,951	418,895	428,401
Balance at December 29, 2012	$ 4,555	$ 4,951	$ 418,895	$ 428,401
Acquisitions	105,064	—	—	105,064
Adjustments/reclassifications	(800)	1,671	(6,810)	(5,939)
Balance at December 28, 2013	$ 108,819	$ 6,622	$ 412,085	$ 527,526

Concentration of Credit Risk

Financial instruments that potentially subject us to significant concentrations of credit risk consist principally of cash and cash equivalents, trade accounts receivable from customers and vendors, and derivative financial instruments. Our cash and cash equivalents are deposited and/or invested with various financial institutions globally that are monitored by us regularly for credit quality. Our trade accounts receivable reflect a large number of customers and dispersed across wide geographic areas, none of which has accounted for 10% or more of our consolidated net sales in 2013, 2012 and 2011 and no customer accounts receivable balance was greater than 10% of our total trade accounts receivable at December 28, 2013 nor December 29, 2012. We perform ongoing credit evaluations of our customers' financial conditions, obtain credit insurance in many locations and require collateral in certain circumstances. We maintain an allowance for estimated credit losses.

Derivative Financial Instruments

We operate in various locations around the world. We reduce our exposure to fluctuations in foreign exchange rates by creating offsetting positions through the use of derivative financial instruments in situations where there are not offsetting balances that create a natural hedge. The market risk related to the foreign exchange agreements is offset by changes in the valuation of the underlying items being hedged. In accordance with our policy, we do not use derivative financial instruments for trading or speculative purposes, nor are we a party to leveraged derivatives.

Foreign exchange risk is managed primarily by using forward contracts to hedge foreign currency-denominated receivables, payables and intercompany loans and expenses. Interest rate swaps and forward contracts are used to hedge foreign currency-denominated principal and interest payments related to intercompany loans.

All derivatives are recorded in our consolidated balance sheet at fair value. The estimated fair value of derivative financial instruments represents the amount required to enter into similar offsetting contracts with similar remaining maturities based on market-derived prices. Changes in the fair value of derivatives not designated as hedging instruments are recorded in current earnings. Changes in the fair value of derivatives designated as hedging instruments are reflected in accumulated other comprehensive income.

The notional amount of forward exchange contracts is the amount of foreign currency bought or sold at maturity. The notional amount of interest rate swaps is the underlying principal amount used in determining the interest payments exchanged over the life of the swap. Notional amounts are indicative of the extent of our involvement in the various types and uses of derivative financial instruments but are not a measure of our exposure to credit or market risks through our use of derivatives.

Credit exposure for derivative financial instruments is limited to the amounts, if any, by which the counterparties' obligations under the contracts exceed our obligations to the counterparties. We manage the potential risk of credit losses through careful evaluation of counterparty credit standing, selection of counterparties from a limited group of financial institutions and other contract provisions including collateral deposits.

(In 000s, except per share data)

Treasury Stock

We account for repurchased shares of common stock as treasury stock. Treasury shares are recorded at cost and are included as a component of stockholders' equity in our consolidated balance sheet.

Comprehensive Income

Comprehensive income consists primarily of our net income, foreign currency translation adjustments and, fair value adjustments to our interest rate swap agreement designated as a cash flow hedge, which we settled in September 2011.

Earnings Per Share

We report a dual presentation of Basic Earnings Per Share ("Basic EPS") and Diluted Earnings Per Share ("Diluted EPS"). Basic EPS excludes dilution and is computed by dividing net income by the weighted average number of common shares outstanding during the reported period. Diluted EPS uses the treasury stock method to compute the potential dilution that could occur if stock-based awards and other commitments to issue common stock were exercised.

The computation of Basic EPS and Diluted EPS is as follows:

	Fiscal Year Ended		
	2013	**2012**	**2011**
Net income	$ 310,583	$ 305,909	$ 244,240
Weighted average shares	152,900	150,654	155,882
Basic earnings per share	$ 2.03	$ 2.03	$ 1.57
Weighted average shares including the dilutive effect of stock-based awards (3,372, 3,063 and 3,706 for 2013, 2012 and 2011, respectively)	156,272	153,717	159,588
Diluted earnings per share	$ 1.99	$ 1.99	$ 1.53

There were approximately 2,069, 3,487 and 2,671 stock-based awards in 2013, 2012 and 2011, respectively, which were not included in the computation of Diluted EPS because the exercise price was greater than the average market price of the Class A Common Stock, thereby resulting in an antidilutive effect.

Income Taxes

We estimate income taxes in each of the taxing jurisdictions in which we operate. This process involves estimating our actual current tax expense together with assessing the future tax impact of any differences resulting from the different treatment of certain items, such as the timing for recognizing revenues and expenses for tax versus financial reporting purposes. These differences may result in deferred tax assets and liabilities, which are included in our consolidated balance sheet. We are required to assess the likelihood that our deferred tax assets, which include net operating loss carryforwards, tax credits and temporary differences that are expected to be deductible in future years, will be recoverable from future taxable income. In making that assessment, we consider the nature of the deferred tax assets and related statutory limits on utilization, recent operating results, future market growth, forecasted earnings, future taxable income, the mix of earnings in the jurisdictions in which we operate and prudent and feasible tax planning strategies. If, based upon available evidence, recovery of the full amount of the deferred tax assets is not likely; we provide a valuation allowance on any amount not likely to be realized.

Our effective tax rate includes the impact of not providing taxes on undistributed foreign earnings considered indefinitely reinvested. Material changes in our estimates of cash, working capital and long-term investment requirements in the various jurisdictions in which we do business could impact our effective tax rate if we no longer consider our foreign earnings to be indefinitely reinvested.

The provision for tax liabilities and recognition of tax benefits involves evaluations and judgments of uncertainties in the interpretation of complex tax regulations by various taxing authorities. In situations involving uncertain tax positions related to income tax matters, we do not recognize benefits unless their sustainability is deemed more likely than not. As additional information becomes available, or these uncertainties are resolved with the taxing authorities, revisions to these liabilities or benefits may be required, resulting in additional provision for or benefit from income taxes reflected in our consolidated statement of income.

Accounting for Stock-Based Compensation

We use the Black-Scholes option-pricing model to determine the fair value of stock options and the closing market price of our common stock on the date of the grant to determine the fair value of our restricted stock and restricted stock units. Stock-based compensation expense is recorded for all stock options, restricted stock and restricted stock units that are ultimately expected to vest as the requisite service is rendered. We recognize these compensation costs, net of an estimated forfeiture rate, on a straight-line basis over the requisite service period of the award, which is the vesting term of outstanding stock-based awards. We estimate the forfeiture rate based on our historical experience during the preceding five fiscal years.

New Accounting Standards

In July 2013, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2013-11, *Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists*, which requires a reporting entity to present an unrecognized tax benefit as a liability in the financial statements separate from deferred tax assets if a net operating loss carryforward, a similar tax loss, or a tax credit carryforward is not available as of the reporting date to settle taxes that would result from the disallowance of the tax position or if a reporting entity does not intend to use the deferred tax asset for such purpose. This guidance will be effective for us beginning December 29, 2013, the first day of fiscal year 2014 and is not expected to have a material impact on our consolidated financial statements.

Note 3 — Reorganization Costs

2013 Actions

In 2013, we incurred net reorganization costs primarily relating to a number of key initiatives, including: (a) the integration of BrightPoint operations into Ingram Micro, resulting in headcount reductions and the closure of certain BrightPoint facilities, and the exit of a portion of our Australian offices in Asia-Pacific; (b) headcount reductions in Europe to respond to the current market environment, and (c) the transition of certain transaction-oriented service and support functions to shared services centers.

2012 Actions

In 2012, we implemented headcount reductions primarily in Australia and New Zealand to better align our operating expenses with each country's lower sales volumes. Additionally, we moved certain transactions-oriented service and support functions to global shared service centers located in Asia-Pacific and Europe. We closed our in-country Argentina operations in Latin America and are now servicing this market through our export operations in Miami. Associated with these actions, we incurred net reorganization costs related to employee termination benefits.

2011 and Prior Actions

In 2011, we implemented a cost-reduction program related to our Australian operations in Asia-Pacific primarily to align our level of operating expenses with declines in sales volume and the loss of market share in that country. We also implemented headcount reductions in certain operations in North America, Europe and Latin America.

In 2009 and earlier, we incurred costs to integrate past acquisitions, and launched various other outsourcing and optimization plans, to improve operating efficiencies and better align our level of operating expenses with the decline in sales volumes resulting from the economic downturn in that period.

While these reorganization actions were completed prior to the periods included herein, future cash outlays are required for future lease payments related to exited facilities.

(In 000s, except per share data)

A summary of the reorganization and expense-reduction program costs incurred in 2013, 2012 and 2011 are as follows:

	Reorganization costs					
	Headcount Reduction	Employee Termination Benefits	Facility Costs	Total Reorganization Costs	Adjustments to Prior Year Costs	Total Costs
Fiscal year ended December 28, 2013						
IT Distribution:						
North America		$ 3,698	$ —	$ 3,698	$ 173	$ 3,871
Europe		11,316	—	11,316	(188)	11,128
Asia-Pacific		952	4,259	5,211	(12)	5,199
Latin America		—	—	—	—	—
BrightPoint		9,361	5,070	14,431	—	14,431
Total	628	$ 25,327	$ 9,329	$ 34,656	$ (27)	$ 34,629
Fiscal year ended December 29, 2012						
IT Distribution:						
North America		$ 34	$ —	$ 34	$ 779	$ 813
Europe		3,087	—	3,087	(32)	3,055
Asia-Pacific		4,523	—	4,523	(115)	4,408
Latin America		432	—	432	—	432
BrightPoint		668	300	968	—	968
Total	359	$ 8,744	$ 300	$ 9,044	$ 632	$ 9,676
Fiscal year ended December 31, 2011						
IT Distribution:						
North America		$ 1,216	$ —	$ 1,216	$ (467)	$ 749
Europe		2,070	—	2,070	(617)	1,453
Asia-Pacific		2,730	—	2,730	—	2,730
Latin America		199	—	199	—	199
Total	123	$ 6,215	$ —	$ 6,215	$ (1,084)	$ 5,131

Adjustments in the table above primarily reflect increases or decreases in estimated costs for employee terminations or to exit facilities.

(In 000s, except per share data)

The remaining liabilities and 2013 activities associated with the aforementioned actions are summarized in the table below:

	Reorganization Liability					
	Remaining Liability at December 29, 2012	Expenses (Income), Net	Amounts Paid and Charged Against the Liability	Foreign Currency Translation (a)	Remaining Liability at December 28, 2013	
2013 Reorganization actions						
Employee termination benefits	$ —	$ 25,327	$ (12,615)	$ 177	$ 12,889	
Facility Costs	—	9,329	(3,438)	(385)	$ 5,506	
Subtotal	—	34,656	(16,053)	(208)	18,395	(b)
2012 Reorganization actions						
Employee termination benefits	1,826	(200)	(604)	37	1,059	(c)
2011 Reorganization actions						
Employee termination benefits	79	—	(79)	—	—	
2009 and prior reorganization actions						
Facility Costs	6,214	173	(3,137)	(230)	$ 3,020	(d)
	$ 8,119	$ 34,629	$ (19,873)	$ (401)	$ 22,474	

(a) Reflects the net foreign currency impact on the U.S. dollar liability.

(b) We expect the remaining liabilities to be substantially utilized by the end of 2016.

(c) We expect the remaining liabilities to be substantially utilized by the end of 2014.

(d) We expect the remaining liabilities to be fully utilized by the end of 2015.

Note 4 — Acquisitions, Goodwill and Intangible Assets

2013 Acquisitions

On December 2, 2013, we acquired all of the issued and outstanding shares of Shipwire, a global provider of e-commerce fulfillment services for small-to-medium-sized business worldwide for cash of $86,000. The major classes of assets and liabilities to which we preliminarily allocated the purchase price were goodwill of $65,000, and identifiable intangible assets of $25,000, primarily consisting of software, trade name and customer relationships with estimated lives of five years. The goodwill recognized in connection with the acquisition is primarily attributable to the assembled workforce and our expectation of extending Shipwire's brand and the reach of its networked platform, while enhancing our existing portfolio of products and services. This acquisition will expand our solutions offerings into the large and growing e-commerce fulfillment market.

On September 30, 2013, we completed the acquisition of Norcross, Georgia-based CloudBlue, a provider of enterprise IT asset disposition, on-site data destruction and e-waste recycling services to large enterprise customers for cash of $38,500. We have preliminarily allocated the purchase price to the identifiable assets acquired and liabilities assumed at their estimated fair values which included approximately $15,000 of intangible assets and approximately $25,000 of goodwill. The identifiable intangible assets primarily consisted of customer relationships, software and trade name with estimated useful lives up to five years. The goodwill recognized is primarily attributable to the assembled workforce and our expectation of expanding our supply chain solutions portfolio with a full suite of in-demand services.

On September 12, 2013, we acquired all of the outstanding shares of Canada-based SoftCom, a cloud marketplace and global service provider, for cash of $11,000 and payment of outstanding debt of $3,400. In addition, the purchase price includes a deferred payment of $5,000, payable over three years and a $3,650 three-year performance-based earn-out. We have preliminarily allocated the purchase price to the identifiable assets acquired and liabilities assumed at their estimated fair values which included approximately $9,000 of intangible assets and approximately $15,000 of goodwill. The identifiable intangible assets primarily consisted of domain names and software with estimated useful lives of six years. The goodwill recognized is primarily attributable to the assembled workforce and the enhancement of cloud offerings road map and aggregation platform to our reseller partners.

These entities have been included in our consolidated results of operations since their respective acquisition dates.

(In 000s, except per share data)

Pro forma results of operations have not been presented for the 2013 acquisitions because the effects of the business combinations for these acquisitions, individually and in aggregate, were not material to our consolidated results of operations.

2012 Acquisitions

On October 15, 2012, we completed the acquisition of BrightPoint, a U.S. publicly traded company and a global leader in providing device lifecycle services to the wireless industry for cash and the assumption of its debt. The results of operations of BrightPoint are included in our consolidated financial statements from the date of the merger. The consideration paid was $868,192, net of cash acquired, primarily comprised of $9.00 cash per share of BrightPoint's outstanding common stock (including common stock underlying restricted stock units and shares issued pursuant to restricted stock awards accelerated upon closing of the transaction) and payment of BrightPoint's outstanding debt of $260,257 as of October 15, 2012.

We are realizing operational benefits by leveraging existing channel relationships and utilizing the assembled workforce. We also have achieved significant savings in corporate and operational overhead costs. We anticipate continued opportunities for growth through our entry into the global wireless industry, expansion of our geographic reach and customer segment diversity, and the ability to leverage additional products and capabilities. These factors, among others, contributed to a purchase price in excess of the estimated fair value of BrightPoint's net identifiable assets acquired, and, as a result, we have recorded goodwill in connection with this transaction.

The following table summarizes the allocation of the purchase price to the estimated fair values of the assets acquired and liabilities assumed on the closing date of October 15, 2012:

Tangible assets (includes trade accounts receivable, inventory, property and equipment and other assets)	$	1,158,450
Goodwill		412,085
Identifiable intangible assets		309,000
Liabilities (includes accounts payable, accrued expenses and other liabilities)		(1,011,343)
	$	868,192

The components of identifiable intangible assets acquired in connection with the BrightPoint acquisition were as follows:

		Fair Value	Estimated Useful Life
Logistics customer relationships	$	237,000	10 years
Distribution customer relationships		59,000	7 years
Trade name		13,000	3 years
Total identifiable intangible assets	$	309,000	

The following represents unaudited pro forma operating results for the years ended December 29, 2012 and December 31, 2011 as if BrightPoint had been included in our consolidated statement of income as of the first day of fiscal year 2011 and includes business combination accounting effects from our acquisition including amortization of acquired intangible assets and increase in interest expense associated with the issuance of our senior unsecured notes due in 2022 and additional borrowings from our revolving senior unsecured credit facility debt to fund the acquisition.

	Fiscal Year			
	2012		2011	
Net sales	$	41,802,220	$	41,573,084
Net income	$	310,791	$	282,901
Earnings per share				
Basic	$	2.06	$	1.81
Diluted	$	2.02	$	1.77

The above unaudited pro forma results have been prepared for informational purposes only and do not purport to represent what the results of operations would have been had the acquisition occurred as of those dates, nor of future results of operations.

(In 000s, except per share data)

In the fourth quarter of 2012, we acquired Aptec, excluding its Saudi Arabia business, for a cash price of approximately $16,302. The purchase price has been allocated to the assets acquired and liabilities assumed based on their estimated fair values on the transaction dates, resulting in the recording of goodwill of $6,622 and identifiable intangible assets of $1,834, primarily related to vendor and customer relationships and trademarks with estimated useful lives of 10 and 3 years, respectively.

On November 30, 2012, we acquired all of the outstanding shares of Promark for an initial cash payment of $7,707; payment of its outstanding debt of $4,675; a hold-back amount of $2,250, and a maximum potential earn-out of $1,000 to be paid out by the first quarter of 2015 based upon the achievement of certain pre-defined targets. We have allocated the purchase price to the identifiable assets acquired and liabilities assumed at their estimated fair values with $3,755 recorded as goodwill. This acquisition further strengthens our position in higher value products and solutions and extends our reach within the public sector in the North American region.

Pro forma results of operations of Aptec and Promark have not been presented because the effects of the business combinations of these acquisitions, individually and in the aggregate, were not material to our consolidated results of operations.

Note 5 — Property and Equipment

Property and equipment consist of the following:

	Fiscal Year End	
	2013	2012
Land	$ 11,614	$ 11,706
Buildings and leasehold improvements	190,604	186,934
Distribution equipment	286,902	278,064
Computer equipment and software	690,841	636,723
	1,179,961	1,113,427
Accumulated depreciation	(691,262)	(632,103)
	$ 488,699	$ 481,324

Note 6 — Debt

The carrying value of our outstanding debt consists of the following:

	Fiscal Year End	
	2013	2012
Senior unsecured notes, 5.25% due 2017	$ 300,000	$ 300,000
Senior unsecured notes, 5.00% due 2022, net of unamortized discount of $1,546 and $1,725, respectively	298,454	298,275
North America revolving trade accounts receivable-backed financing program	199,000	345,000
Lines of credit and other debt	48,772	111,268
	846,226	1,054,543
Short-term debt and current maturities of long-term debt	(48,772)	(111,268)
	$ 797,454	$ 943,275

In August 2012, we issued through a public offering $300,000 of 5.00% senior unsecured notes due 2022, resulting in cash proceeds of approximately $296,256, net of discount and issuance costs of $1,794 and $1,950, respectively. Interest on the notes is payable semiannually in arrears on February 10 and August 10, commencing February 10, 2013. We also have $300,000 of 5.25% senior unsecured notes due 2017. Interest on the notes is payable semiannually in arrears on March 1 and September 1 of each year. These notes may be redeemed by us in whole at any time or in part from time to time, at our option, at redemption prices that are designated in the terms and conditions of the respective notes.

We have a revolving trade accounts receivable-backed financing program in North America which provides for up to $675,000 in borrowing capacity. This financing program matures in November 2015. This financing program, subject to the financial institutions’ approval and availability of eligible receivables, may be increased to $900,000 in accordance with the extended terms of the program. The interest rate of this program is dependent on designated commercial paper rates (or, in certain circumstances, an alternate rate) plus a predetermined margin. We had borrowings of $199,000 and $345,000 at December 28, 2013 and December 29, 2012, respectively, under this North American financing program.

We have three revolving trade accounts receivable-backed financing programs in Europe and in Asia-Pacific:

a) a program which provides for a borrowing capacity of up to €105,000, or approximately $145,000 at December 28, 2013 exchange rates. In June 2013, we entered into an agreement to increase the borrowing capacity of this program to €105,000 from the previous amount of €100,000 and to extend its maturity to January 2017.

b) A program which provides for a maximum borrowing capacity of up to €45,000, or approximately $62,000 at December 28, 2013 exchange rates. In May 2013, this program was extended and in June 2013, we entered into an agreement to reduce the borrowing capacity of this program to €45,000 from the previous amount of €90,000 and to extend its maturity to May 2016.

c) A program which provides for a maximum borrowing capacity of up to 160,000 Australian dollars, or approximately $142,000 at December 28, 2013 exchange rates, maturing in May 2014.

The current programs require certain commitment fees, and borrowings under this program incur financing costs based on the local short-term bank indicator rate for the currency in which the drawing is made plus a predetermined margin. We had no borrowings at December 28, 2013 or December 29, 2012 under any of these three financing program.

Our ability to access financing under all our trade accounts receivable-backed financing programs in North America, Europe and Asia-Pacific, as discussed above, is dependent upon the level of eligible trade accounts receivable as well as continued covenant compliance. We may lose access to all or part of our financing under these programs under certain circumstances, including: (a) a reduction in sales volumes leading to related lower levels of eligible trade accounts receivable; (b) failure to meet certain defined eligibility criteria for the trade accounts receivable, such as receivables remaining assignable and free of liens and dispute or set-off rights; (c) performance of our trade accounts receivable; and/or (d) loss of credit insurance coverage for our European and Asia-Pacific facilities. At December 28, 2013, our actual aggregate capacity under these programs was approximately $997,000 based on eligible trade accounts receivable available, of which $199,000 of such capacity was used. Even if we do not borrow, or choose not to borrow to the full available capacity of certain programs, most of our trade accounts receivable-backed financing programs prohibit us from assigning, transferring or pledging the underlying eligible receivables as collateral for other financing programs. At December 28, 2013, the amount of trade accounts receivable which would be restricted in this regard totaled approximately $1,525,000.

We have a $940,000 revolving senior unsecured credit facility from a syndicate of multinational banks, which was scheduled to mature in September 2016. In August 2013, we entered into an amendment of this facility to extend its maturity to September 30, 2018. In addition, the amendment provides an option to increase the total commitment by $310,000, subject to certain conditions. The interest rate on this facility is based on LIBOR, plus a predetermined margin that is based on our debt ratings and leverage ratio. We had no borrowings at December 28, 2013 and December 29, 2012, under this credit facility. This credit facility may also be used to issue letters of credit. At December 28, 2013 and December 29, 2012, letters of credit of $7,996 and $4,491, respectively, were issued to certain vendors and financial institutions to support purchases by our subsidiaries, payment of insurance premiums and flooring arrangements. Our available capacity under the agreement is reduced by the amount of any outstanding letters of credit.

We also have additional lines of credit, short-term overdraft facilities and other credit facilities with various financial institutions worldwide, which provide for borrowing capacity aggregating approximately $969,000 at December 28, 2013. Most of these arrangements are on an uncommitted basis and are reviewed periodically for renewal. At December 28, 2013 and December 29, 2012, respectively, we had $48,772 and $111,268 outstanding under these facilities. The weighted average interest rate on the outstanding borrowings under these facilities, which may fluctuate depending on geographic mix, was 9.0% and 7.9% per annum at December 28, 2013 and December 29, 2012, respectively. At December 28, 2013 and December 29, 2012, letters of credit totaling $31,636 and $30,829, respectively, were issued to various customs agencies and landlords to support our subsidiaries. The issuance of these letters of credit reduces our available capacity under these agreements by the same amount.

We are required to comply with certain financial covenants under the terms of certain of our financing facilities, including restrictions on funded debt and liens and covenants related to tangible net worth, leverage and interest coverage ratios and trade accounts receivable portfolio performance including metrics related to receivables and payables. We are also restricted by other covenants, including, but not limited to, restrictions on the amount of additional indebtedness we can incur, dividends we can pay, and the amount of common stock that we can repurchase annually. At December 28, 2013, we were in compliance with all material covenants or other material requirements set forth in our trade accounts receivable-backed programs, senior unsecured notes due 2017 and 2022, revolving senior unsecured credit facility and other credit agreements, as discussed above.

(In 000s, except per share data)

Note 7 — Income Taxes

We account 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. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement and tax bases 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 period that includes the enactment date. The estimates and assumptions we use in computing the income taxes reflected in our consolidated financial statements could differ from the actual results reflected in our income tax returns filed during the subsequent year. We record adjustments based on filed returns as such returns are finalized and resultant adjustments are identified.

The components of income before income taxes consist of the following:

	Fiscal Year Ended		
	2013	2012	2011
United States	$ 200,663	$ 156,134	$ 129,412
Foreign	235,436	240,050	258,459
Total	$ 436,099	$ 396,184	$ 387,871

The provision for income taxes consists of the following:

	Fiscal Year Ended		
	2013	2012	2011
Current:			
Federal	$ 80,910	$ 13,642	$ 29,238
State	8,225	2,547	3,951
Foreign	69,468	80,003	81,617
	158,603	96,192	114,806
Deferred:			
Federal	(13,894)	(20,738)	23,772
State	(1,776)	1,161	707
Foreign	(17,417)	13,660	4,346
	(33,087)	(5,917)	28,825
Provision for income taxes	$ 125,516	$ 90,275	$ 143,631

The reconciliation of the statutory U.S. federal income tax rate to our effective tax rate is as follows:

	Fiscal Year Ended		
	2013	2012	2011
U.S. statutory rate	35.0 %	35.0 %	35.0 %
State income taxes, net of federal income tax benefit	1.5	1.2	1.5
U.S. tax on foreign earnings, net of foreign tax credits	(4.6)	0.6	0.2
Effect of international operations	(5.6)	(7.7)	(9.7)
Effect of change in valuation allowances	2.9	2.6	8.7
Effect of worthless stock deduction	—	(9.0)	—
Other	(0.4)	0.1	1.3
Effective tax rate	28.8 %	22.8 %	37.0 %

(In 000s, except per share data)

Deferred income taxes reflect the tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of our net deferred tax assets and liabilities are as follows:

	Fiscal Year End	
	2013	2012
Deferred tax assets:		
Net operating loss carryforwards	$ 293,514	$ 223,790
Tax credit carryforwards	134,573	94,732
Employee benefits, including stock-based compensation	51,764	60,292
Reorganization and restructuring reserves	3,138	4,410
Inventory	32,627	31,999
Depreciation and amortization	38,899	69,264
Allowance on trade accounts receivable	12,991	13,476
Reserves and accruals not currently deductible for income tax purposes	27,545	26,478
Other	33,308	17,700
Total deferred tax assets	628,359	542,141
Valuation allowance	(315,312)	(241,095)
Subtotal	313,047	301,046
Deferred tax liabilities:	—	
Depreciation and amortization	(154,079)	(166,239)
Outside basis difference on earnings of foreign subsidiaries	(60,345)	(61,560)
Other	(15,250)	(17,272)
Total deferred tax liabilities	(229,674)	(245,071)
Net deferred tax assets	$ 83,373	$ 55,975

Out of the amounts shown above, net current deferred tax assets of $83,001 and $106,986 are included in other current assets at December 28, 2013 and December 29, 2012, respectively. Net non-current deferred tax assets of $372 as of December 28, 2013 are included in other non-current assets and net non-current deferred tax liabilities of $51,011 as of December 29, 2012 are included in deferred income taxes.

We record net deferred tax assets to the extent we believe these assets will more likely than not be realized. In making such determination, we consider all available positive and negative evidence, including the nature of the deferred tax assets and related statutory limits on utilization, recent operating results, future reversals of existing taxable temporary differences, projected future taxable income, tax planning strategies and recent financial operations. In the event we were to determine that we would be able to realize our deferred income tax assets in the future in excess of or less than the net recorded amount, we would make an adjustment to the valuation allowance which would reduce or increase the provision for income taxes.

At December 28, 2013, we had deferred tax assets related to net operating loss carryforwards of $293,514, along with a valuation allowance of $235,757, with the net amount reflecting the amount more likely than not to be realized. Of the remaining $57,757 of net deferred tax assets associated with NOL carryforwards, $22,001 has no expiration date. Included in the amounts noted above at December 28, 2013 is $59,494 of deferred tax assets for local statutory losses that were generated by our Luxembourg subsidiary during 2013, along with an offsetting valuation allowance. A portion of the carryforwards may expire before being applied to reduce future income tax liabilities. We monitor all of our other deferred tax assets for realizability in a similar manner to those described above and will record or release valuation allowances as required to reflect the amount more likely than not to be realized.

At December 28, 2013, our total deferred tax assets related to foreign tax credit carryforwards in the U.S. was $134,342 and our total valuation allowance related to such credit carryforwards was $55,508, with the net amount reflecting the amount more likely than not to be realized based on our current ability to generate the character of income required to utilize these credits prior to expiry through 2021.

The valuation allowance increased by a net $74,217 during 2013, driven largely by the increase in the valuation allowance on deferred tax assets related to the net operating losses in Luxembourg and the foreign tax credit carryforwards, as noted above.

(In 000s, except per share data)

The remaining increase relates primarily to book operating losses in certain subsidiaries that are currently not expected to be realized through future taxable income in these entities, partially offset by previously reserved amounts which became realizable based on taxable income generated in the current year, as well as the impacts of translation adjustments for previously established valuation allowances in currencies other than the U.S. dollar.

We have not provided deferred taxes on undistributed earnings from certain of our foreign subsidiaries that are indefinitely reinvested. These undistributed earnings may become taxable upon an actual or deemed repatriation of assets from the subsidiaries or a sale or liquidation of the subsidiaries. We estimate that our total net undistributed earnings upon which we have not provided deferred tax total approximately $2,000,000 at December 28, 2013, and $2,100,000 at December 29, 2012. A determination of the deferred tax liability on such earnings is not practicable as such liability is dependent upon our U.S. foreign tax credit position that would exist at the time any remittance would occur.

Tax benefits claimed from the exercise of employee stock options and other employee stock programs that are in excess of (less than) the amount recorded upon grant are recorded as an increase (decrease) in stockholders' equity. In 2013, 2012 and 2011, these amounts totaled $422, $5,810 and $3,625, respectively.

The total amount of gross unrecognized tax benefits is $35,398 as of December 28, 2013, substantially all of which would impact the effective tax rate if recognized. A reconciliation of the beginning and ending balances of the total amounts of gross unrecognized tax benefits is as follows:

	Fiscal Year Ended		
	2013	2012	2011
Gross unrecognized tax benefits at beginning of the year	$ 38,790	$ 24,888	$ 23,641
Increases in tax positions for prior years	4,918	17,281	3,953
Decreases in tax positions for prior years	(61)	(900)	(1,221)
Increases in tax positions for current year	737	2,716	1,197
Decreases in tax positions for current year	—	—	—
Settlements	(1,078)	(343)	(789)
Lapse in statute of limitations	(7,908)	(4,852)	(1,893)
Gross unrecognized tax benefits at end of the year	$ 35,398	$ 38,790	$ 24,888

We recognize interest and penalties related to unrecognized tax benefits in income tax expense. As of December 28, 2013, the total accrual for interest and penalties on our unrecognized tax benefits is $7,333.

We conduct business globally and, as a result, we and/or one or more of our subsidiaries file income tax returns in the U.S. federal and various state jurisdictions and in over thirty foreign jurisdictions. In the normal course of business, we are subject to examination by taxing authorities in many of the jurisdictions in which we operate. In the U.S., the IRS has concluded its examination for the years prior to 2010. In our material tax jurisdictions, the statute of limitations is open, in general, for three - five years.

It is possible that within the next twelve months, ongoing tax examinations in the U.S. states and several of our foreign jurisdictions may be resolved, that new tax exams may commence and that other issues may be effectively settled. However, we do not expect our assessment of unrecognized tax benefits to change significantly over that time.

Note 8 — Derivative Financial Instruments

Our derivatives designated as hedging instruments have consisted primarily of foreign currency forward contracts to hedge certain foreign currency-denominated intercompany management fees. We also use foreign currency forward contracts that are not designated as hedges primarily to manage currency risk associated with foreign currency-denominated trade accounts receivable, accounts payable and intercompany loans. At December 28, 2013 and December 29, 2012, we had no derivatives that are designated as hedging instruments.

(In 000s, except per share data)

The notional amounts and fair values of derivative instruments in our consolidated balance sheet were as follows:

	Notional Amounts(1)		Fair Value	
	December 28, 2013	December 29, 2012	December 28, 2013	December 29, 2012
Derivatives not receiving hedge accounting treatment recorded in:				
Other current assets				
Foreign exchange contracts	$ 334,519	$ 817,172	$ 2,942	$ 2,897
Accrued expenses				
Foreign exchange contracts	1,486,407	607,836	(8,887)	(3,776)
Total	$ 1,820,926	$ 1,425,008	$ (5,945)	$ (879)

(1) Notional amounts represent the gross amount of foreign currency bought or sold at maturity for foreign exchange contracts.

	Fiscal Year Ended		
	2013	2012	2011
Net gain (loss) recognized in earnings	(11,657)	(35,181)	1,799

Note 9 — Fair Value Measurements

Our assets and liabilities carried at fair value are classified and disclosed in one of the following three categories: Level 1 — quoted market prices in active markets for identical assets and liabilities; Level 2 — observable market-based inputs or unobservable inputs that are corroborated by market data; and Level 3 — unobservable inputs that are not corroborated by market data.

As of December 28, 2013, our assets and liabilities measured at fair value on a recurring basis are categorized in the table below:

	December 28, 2013			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash equivalents, consisting primarily of money market accounts and short-term certificates of deposit	$ 50,735	$ 50,735	$ —	$ —
Marketable trading securities (a)	53,856	53,856	—	—
Derivative assets	2,942	—	2,942	—
Total assets at fair value	$ 107,533	$ 104,591	$ 2,942	$ —
Liabilities:				
Derivative liabilities	$ 8,887	$ —	$ 8,887	$ —
Contingent consideration	3,650	—	—	3,650
Total liabilities at fair value	$ 12,537	$ —	$ 8,887	$ 3,650

(a) Included in other current assets in our consolidated balance sheet.

(In 000s, except per share data)

As of December 29, 2012, our assets and liabilities measured at fair value on a recurring basis are categorized in the table below:

	December 29, 2012			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash equivalents, consisting primarily of money market accounts and short-term certificates of deposit	$ 189,381	$ 189,381	$ —	$ —
Marketable trading securities (a)	46,938	46,938	—	—
Derivative assets	2,897	—	2,897	—
Total assets at fair value	$ 239,216	$ 236,319	$ 2,897	$ —
Liabilities:				
Derivative liabilities	$ 3,776	$ —	$ 3,776	$ —
Total liabilities at fair value	$ 3,776	$ —	$ 3,776	$ —

(a) Included in other current assets in our consolidated balance sheet.

The fair value of the cash equivalents approximated cost and the gain or loss on the marketable trading securities was recognized in the consolidated statement of income to reflect these investments at fair value.

Our senior unsecured notes due in 2022 and 2017 are stated at amortized cost, and their respective fair values were determined based on Level 2 criteria. The fair values and carrying values of these notes are shown in the table below:

	December 28, 2013				
		Fair Value			
	Carrying Value	Total	Level 1	Level 2	Level 3
Liabilities:					
Senior unsecured notes, 5.25% due 2017	$ 300,000	$ 318,000	$ —	$ 318,000	$ —
Senior unsecured notes, 5.00% due 2022	298,454	301,200	—	301,200	—
	$ 598,454	$ 619,200	$ —	$ 619,200	$ —

	December 29, 2012				
		Fair Value			
	Carrying Value	Total	Level 1	Level 2	Level 3
Liabilities:					
Senior unsecured notes, 5.25% due 2017	$ 300,000	$ 326,000	$ —	$ 326,000	$ —
Senior unsecured notes, 5.00% due 2022	298,275	307,000	—	307,000	—
	$ 598,275	$ 633,000	$ —	$ 633,000	$ —

The carrying amounts of our trade accounts receivable, accounts payable and other accrued expenses approximate fair value because of the short maturity of these items. Our North American, European and Asia-Pacific revolving trade accounts receivable-backed financing programs bear interest at variable rates based on designated commercial paper rates and local reference rates, respectively, plus a predetermined fixed margin. The interest rates of our revolving unsecured credit facilities and other debt are dependent upon the local short-term bank indicator rate for a particular currency, which also resets regularly. The carrying amounts of all these facilities approximate their fair value because of the revolving nature of the borrowings and because the all-in rate (consisting of variable rates and fixed margin) adjusts regularly to reflect current market rates with appropriate consideration for our credit profile.

Note 10 — Commitments and Contingencies

Our Brazilian subsidiary has received a number of tax assessments including the following: (1) a 2005 Federal import tax assessment claiming certain commercial taxes totaling Brazilian Reais 12,714 ($5,401 at December 28, 2013 exchange rates) were due on the import of software acquired from international vendors for the period January through September of 2002; (2) a 2007 Sao Paulo Municipal tax assessment claiming Brazilian Reais 29,111 ($12,368 at December 28, 2013 exchange rates) of service taxes were due on the resale of acquired software covering years 2002 through 2006, plus Brazilian Reais 25,972 ($11,034 at December 28, 2013 exchange rates) of associated penalties; (3) a 2011 Federal income tax assessment, a portion of which claims statutory penalties totaling Brazilian Reais 15,900 ($6,755 at December 28, 2013 exchange rates) for delays in providing certain electronic files during the audit of tax years 2008 and 2009, which was conducted through the course of 2011; (4) a 2012 Sao Paulo municipal tax assessment claiming Brazilian Reais 2,996 ($1,272 at December 28, 2013 exchange rates) of service taxes due on the importation of software covering the year 2007 plus Brazilian Reais 1,498 ($636 at December 28, 2013 exchange rates) of associated penalties; and (5) a 2013 Sao Paulo municipal tax assessment claiming Brazilian Reais 10,725 ($4,556 at December 28, 2013 exchange rates) of service taxes due on the importation of software covering the years 2008, 2009, 2010 and January through May 2011 plus Brazilian Reais 5,362 ($2,278 at December 28, 2013 exchange rates) of associated penalties. While we will continue to vigorously pursue administrative and, if applicable, judicial action in defending against the 2005 Federal import tax assessment, we continue to maintain a reserve for the full tax amount assessed at December 28, 2013 in item (1) above. After working with our advisors, we believe the other matters noted above do not represent a probable loss.

In addition to the amounts described above, incremental charges for possible penalties, interest and inflationary adjustments could be imposed in an amount up to Brazilian Reais 206,701 ($87,815 at December 28, 2013 exchange rates) for these matters. We believe we have good defenses against each matter and do not believe it is probable that we will suffer a material loss for these matters.

There are various other claims, lawsuits and pending actions against us incidental to our operations. It is the opinion of management that the ultimate resolution of these matters will not have a material adverse effect on our consolidated financial position, results of operations or cash flows. However, we can make no assurances that we will ultimately be successful in our defense of any of these matters.

As is customary in the IT distribution industry, 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, repurchase obligations relating to inventory cannot be reasonably estimated. Repurchases of inventory by us under these arrangements have been insignificant to date.

We have guarantees to third parties that provide financing to a limited number of our customers. Net sales under these arrangements accounted for less than one percent of our consolidated net sales for 2013, 2012 and 2011. The guarantees require us to reimburse the third party for defaults by these customers up to an aggregate of $5,600. The fair value of these guarantees has been recognized as cost of sales to these customers and is included in other accrued liabilities.

(In 000s, except per share data)

We lease the majority of our facilities and certain equipment under noncancelable operating leases. Rental expense, including obligations related to IT outsourcing services, for the years ended 2013, 2012 and 2011 was $113,709, $96,669 and $93,725, respectively.

Future minimum rental commitments on operating leases that have remaining noncancelable lease terms as of December 28, 2013 are as follows:

2014	$	102,351
2015		71,865
2016		59,779
2017		50,019
2018		41,983
Thereafter		96,450
	$	422,447

The above minimum payments have not been reduced by minimum sublease rental income of $6,980 due in the future under noncancelable sublease agreements as follows: $4,277 and $2,703 in 2014 and 2015, respectively.

Note 11 — Segment Information

Subsequent to our acquisition of BrightPoint, we have operated predominantly in the following industry segments: (1) distribution of IT products and supply chain solutions worldwide and (2) distribution of mobile devices as well as device lifecycle services and logistics solutions. Our IT distribution reporting segments are based on geographic location, and the measure of segment profit is income from operations.

Geographic areas in which we operated our IT distribution reporting segments during 2013 include North America (the United States and Canada), Europe (Austria, Belgium, France, Germany, Hungary, Italy, Israel, the Netherlands, Spain, Sweden, Switzerland and the United Kingdom), Asia-Pacific (Australia, the People’s Republic of China including Hong Kong, India, Indonesia, Malaysia, New Zealand, Singapore, Thailand, Lebanon, United Arab Emirates, Turkey, Egypt and South Africa), and Latin America (Brazil, Chile, Colombia, Mexico, Peru, and our Latin American export operations in Miami).

Our BrightPoint reporting segment has operations in the following geographic areas: the United States, Denmark, Finland, Germany, Norway, Poland, Portugal, Senegal, Slovakia, South Africa, Spain, Sweden, Switzerland, the United Arab Emirates, the United Kingdom, Australia, Hong Kong, India, Malaysia, New Zealand and Singapore.

We do not allocate stock-based compensation recognized (see Note 12) to our operating units; therefore, we are reporting this as a separate amount.

(In 000s, except per share data)

Financial information by reporting segment is as follows:

	Fiscal Year Ended		
	2013	2012	2011
Net sales			
IT Distribution:			
North America	$ 16,433,994	$ 15,880,103	$ 15,250,560
Europe	10,843,514	10,614,811	11,371,043
Asia-Pacific	8,698,116	8,347,170	7,920,649
Latin America	2,051,899	1,943,841	1,786,449
BrightPoint	4,526,395	1,041,374	—
Total	$ 42,553,918	$ 37,827,299	$ 36,328,701
Income from operations			
IT Distribution:			
North America	$ 296,263	$ 283,689	$ 281,155
Europe	84,966	103,278	136,306
Asia-Pacific	74,394	53,613	46,508
Latin America	43,080	37,700	25,488
BrightPoint	46,512	11,290	—
Stock-based compensation expense	(30,340)	(27,218)	(30,811)
Total	$ 514,875	$ 462,352	$ 458,646
Capital expenditures			
IT Distribution:			
North America	$ 62,513	$ 64,529	$ 91,873
Europe	6,498	4,420	8,745
Asia-Pacific	10,164	17,945	21,100
Latin America	1,516	1,161	470
BrightPoint	14,948	4,245	—
Total	$ 95,639	$ 92,300	$ 122,188
Depreciation			
IT Distribution:			
North America	$ 34,282	$ 26,677	$ 27,520
Europe	9,702	10,133	10,892
Asia-Pacific	7,570	6,987	4,759
Latin America	1,356	1,265	1,561
BrightPoint	27,525	4,643	—
Total	$ 80,435	$ 49,705	$ 44,732
Amortization of intangible assets			
IT Distribution:			
North America	$ 8,374	$ 6,706	$ 7,539
Europe	2,002	3,857	2,313
Asia-Pacific	830	1,079	1,797
Latin America	887	902	901
BrightPoint	36,387	8,167	—
Total	$ 48,480	$ 20,711	$ 12,550

(In 000s, except per share data)

The integration, transition and other costs included in income from operations by reporting segments are as follows:

	Fiscal Year Ended		
	2013	2012	2011
Integration, transition and other costs (a)			
IT Distribution:			
North America	$ (17,123)	$ 8,515	$ —
Europe	5,839	—	—
Asia-Pacific	2,210	43	—
Latin America	(1,033)	1,923	—
BrightPoint	10,546	5,884	—
Total	$ 439	$ 16,365	$ —

(a) Costs are primarily for legal, consulting and other costs associated with the integration of BrightPoint, acquisitions-related costs and other transition costs incurred for certain executives, charged to SG&A expenses. For the fiscal year ended December 28, 2013, also included is a gain of $28,461 and $1,033 related to the settlement of legal matters in North America and Latin America, respectively. For the fiscal year ended December 29, 2012, it also included asset impairments of $1,923 associated with our closure of in-country Argentina operations in Latin America, charged to SG&A expenses.

For a segment breakdown of reorganization costs, refer to Note 3.

	Fiscal Year End	
	2013	2012
Identifiable assets		
IT Distribution:		
North America	$ 3,965,210	$ 4,103,657
Europe	3,630,667	2,883,678
Asia-Pacific	1,429,984	1,880,431
Latin America	836,188	652,552
BrightPoint	1,929,146	1,960,130
Total	$ 11,791,195	$ 11,480,448
Long-lived assets		
IT Distribution:		
North America	$ 402,823	$ 329,175
Europe	45,951	50,498
Asia-Pacific	42,548	45,898
Latin America	8,447	9,415
BrightPoint	364,353	418,820
Total	$ 864,122	$ 853,806

Net sales and long-lived assets for the United States, which is our country of domicile, are as follows:

	Fiscal Year End					
	2013		2012		2011	
Net sales						
United States	$ 15,667,744	37%	$ 14,464,308	38%	$ 13,385,690	37%
Outside of the United States	26,886,174	63	23,362,991	62	22,943,011	63
Total	$ 42,553,918	100%	$ 37,827,299	100%	$ 36,328,701	100%

(In 000s, except per share data)

	Fiscal Year End					
	2013			2012		
Long-lived assets:						
United States	$	625,719	72%	$	595,949	70%
Outside of the United States		238,403	28		257,857	30
Total	$	864,122	100%	$	853,806	100%

Note 12 — Stock-Based Compensation

Our stock-based compensation expense for 2013, 2012 and 2011 was $30,340, $27,218 and $30,811, respectively, and the related income tax benefits were $9,161, $8,075 and $8,760, respectively.

We have elected to use the Black-Scholes option-pricing model to determine the fair value of stock options. The Black-Scholes model incorporates various assumptions including volatility, expected life, and interest rates. The expected volatility is based on the historical volatility of our common stock over the most recent period commensurate with the estimated expected life of our stock options. The expected life of an award is based on historical experience and the terms and conditions of the stock-based awards granted to employees. The fair value of options granted in 2013, 2012 and 2011 was estimated assuming no dividends and using the following weighted average assumptions:

	Fiscal Year Ended		
	2013	2012	2011
Expected life of stock options	3.1 years	5.0 years	5.0 years
Risk-free interest rate	0.57%	0.89%	2.11%
Expected stock volatility	25.9%	34.6%	32.7%
Fair value of options granted	$3.62	$5.79	$6.35

Equity Incentive Plan

We currently have a single stock incentive plan, the Ingram Micro Inc. 2011 Incentive Plan, for the granting of equity-based incentive awards including incentive stock options, non-qualified stock options, restricted stock, restricted stock units and stock appreciation rights, among others, to key employees and members of our Board of Directors. During the second quarter of 2013, our stockholders approved an amendment of the Ingram Micro Inc. 2011 Incentive Plan (the "2011 Amended Plan"), which increased the number of shares that we may issue by 12,000. The authorized pool of shares available for grant is a fungible pool. The authorized share limit is reduced by one share for every share subject to a stock option or stock appreciation right granted and 2.37 shares for every share granted after June 8, 2011 (2.29 shares after June 7, 2013) under any award other than an option or stock appreciation right for awards.

We grant time- and/or performance-vested restricted stock and/or restricted stock units, in addition to stock options, to key employees and members of our Board of Directors. Options granted generally vest over a period of up to three years and have expiration dates not longer than 10 years. In 2013, a majority of the options granted had a contractual term of four years. A portion of the restricted stock and restricted stock units vest over a time period of one to three years. The remainder of the restricted stock and restricted stock units vests upon achievement of certain performance measures over a time period of one to three years. In 2013, 2012 and 2011, the performance measures for restricted stock and restricted stock units for grants to management were based on earnings growth, return on invested capital total shareholder return and profit before tax. As of December 28, 2013, approximately 13,805 shares were available for grant under the 2011 Amended Plan, taking into account granted options, time-vested restricted stock units/awards and performance-vested restricted stock units assuming maximum achievement.

During 2013, 2012 and 2011 previously granted restricted stock units of 2,101, 2,132 and 1,144, respectively, were converted to Class A Common Stock. Approximately 684, 683 and 326 shares, respectively, were withheld to satisfy the employees' minimum statutory obligation for the applicable taxes and cash was remitted to the appropriate taxing authorities. Total payments for the employees' tax obligations to the taxing authorities were approximately $13,045, $13,011 and $6,294 in 2013, 2012 and 2011, respectively. The withheld shares had the effect of share repurchases by us as they reduced and retired the number of shares that would have otherwise been issued as a result of the vesting. Of the restricted stock and/or units that were converted to Class A Common Stock, there were 1,535, 1,495 and 133 in 2013, 2012 and 2011, respectively, based on performance-based grants previously approved by the Human Resources Committee of the Board of Directors. In 2011, the Human Resources Committee of the Board of Directors determined that the performance measures for certain performance-based grants were not met, resulting in the cancellation of approximately 772 restricted stock units.

(In 000s, except per share data)

Stock Award Activity

Stock option activity under the 2011 Amended Plan was as follows for the three years ended December 28, 2013:

	No. of Shares	Weighted-Average Price	Weighted-Average Remaining Contractual Term (in Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2011	10,415	$ 16.41	3.7	
Granted	40	19.62		
Exercised	(2,397)	15.44		
Forfeited/cancelled/expired	(42)	16.25		
Outstanding at December 31, 2011	8,016	16.72	2.8	
Granted	51	18.31		
Exercised	(2,116)	14.80		
Forfeited/cancelled/expired	(306)	18.37		
Outstanding at December 29, 2012	5,645	17.36	2.7	
Granted	1,452	25.70		
Exercised	(2,619)	16.56		
Forfeited/cancelled/expired	(291)	20.14		
Outstanding at December 28, 2013	4,187	20.56	3.1	$ 15,469
Vested and expected to vest at December 28, 2013	4,022	20.34	3.1	$ 15,469
Exercisable at December 28, 2013	2,783	17.83	2.7	$ 15,444

The aggregate intrinsic value in the table above represents the difference between our closing stock price on December 28, 2013 and the option exercise price, multiplied by the number of in-the-money options on December 28, 2013. This amount changes based on the fair market value of our common stock. Total intrinsic value of stock options exercised in 2013, 2012 and 2011 was $11,655, $8,273 and $9,999, respectively. Total fair value of stock options expensed was $458, $298 and $251 for 2013, 2012 and 2011, respectively. As of December 28, 2013, the unrecognized stock-based compensation costs related to stock options was $4,803. We expect this cost to be recognized over a remaining weighted-average period of approximately 2.9 years.

Cash received from stock option exercises in 2013, 2012 and 2011 was $43,384, $31,335 and $39,465, respectively, and the actual benefit realized for the tax deduction from stock option exercises of the share-based payment awards totaled $3,785, $2,975 and $3,248 in 2013, 2012 and 2011, respectively.

The following table summarizes information about stock options outstanding and exercisable at December 28, 2013:

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	Number Outstanding at December 28, 2013	Weighted-Average Remaining Life	Weighted-Average Exercise Price	Number Exercisable at December 28, 2013	Weighted-Average Exercise Price
$10.62 – $17.80	1,296	2.8	$ 15.96	1,292	$ 15.96
$17.92 – $20.70	1,474	2.6	19.43	1,474	19.43
$20.80 – $21.60	17	3.2	21.50	17	21.50
$26.00 – $26.00	1,400	3.9	26.00	—	—
	4,187	3.1	20.56	2,783	17.83

(In 000s, except per share data)

Activity related to restricted stock and restricted stock units was as follows for the three years ended December 28, 2013:

	Number of Shares	Weighted-Average Grant Date Fair Value
Non-vested at January 1, 2011	5,110	$ 10.84
Granted	1,961	19.37
Vested	(1,145)	9.92
Forfeited	(1,006)	18.02
Non-vested at December 31, 2011	4,920	12.98
Granted	2,866	17.21
Vested	(2,132)	12.79
Forfeited	(147)	17.66
Non-vested at December 29, 2012	5,507	15.13
Granted	4,071	19.26
Vested	(2,101)	18.34
Forfeited	(447)	17.74
Non-vested at December 28, 2013	7,030	16.39

As of December 28, 2013, the unrecognized stock-based compensation cost related to non-vested restricted stock and restricted stock units was $57,513. We expect this cost to be recognized over a remaining weighted-average period of approximately 1.5 years.

Note 13 — Employee Benefit Plans

Our U.S.-based employee benefit plans permit eligible employees to make contributions up to certain limits, which are matched by us at stipulated percentages. Our contributions charged to expense were $4,891, $4,350 and $3,859 in 2013, 2012 and 2011, respectively.

Note 14 — Common Stock

Share Repurchase Program

In October 2010, our Board of Directors authorized a $400,000 share repurchase program that has been extended to October 27, 2015, of which $124,095 was remaining for repurchase at December 28, 2013. Under the program, we may repurchase shares in the open market and through privately negotiated transactions. Our repurchases are funded with available borrowing capacity and cash. The timing and amount of specific repurchase transactions will depend upon market conditions, corporate considerations and applicable legal and regulatory requirements. Treasury shares are recorded at cost and are included as a component of stockholders’ equity in our consolidated balance sheet. We have issued shares of common stock out of our cumulative balance of treasury shares. Such shares are issued to certain of our associates upon the exercise of their options or vesting of their equity awards under the Ingram Micro Inc. 2011 Incentive Plan, as amended (see Note 12). We did not repurchase shares during the year ended December 28, 2013.

(In 000s, except per share data)

Our stock repurchase and issuance activity for 2013, 2012 and 2011 are summarized as follows:

	Shares Repurchased	Weighted-Average Price Per Share	Net Amount Repurchased
Cumulative balance at January 1, 2011	23,713	$ 16.40	$ 388,817
Repurchase of Class A Common Stock	12,476	18.11	225,905
Issuance of Class A Common Stock	(546)	19.01	(10,391)
Cumulative balance at December 31, 2011	35,643	16.96	604,331
Repurchase of Class A Common Stock	2,729	18.32	50,000
Issuance of Class A Common Stock	(343)	18.27	(6,265)
Cumulative balance at December 29, 2012	38,029	17.04	648,066
Issuance of Class A Common Stock	(508)	17.24	(8,766)
Cumulative balance at December 28, 2013	37,521	17.04	$ 639,300

Classes of Common Stock

We have two classes of Common Stock, consisting of 500,000 authorized shares of $0.01 par value Class A Common Stock and 135,000 authorized shares of $0.01 par value Class B Common Stock, and 25,000 authorized shares of $0.01 par value Preferred Stock.

There were no issued and outstanding shares of Class B Common Stock or Preferred Stock during the three-year period ended December 28, 2013. The detail of changes in the number of outstanding shares of Class A Common Stock for the three-year period ended December 28, 2013, is as follows:

	Class A Common Stock
January 1, 2011	158,745
Stock options exercised	2,397
Release of restricted stock units, net of shares withheld for employee taxes	791
Grant of restricted Class A Common Stock	27
Repurchase of Class A Common Stock	(12,476)
December 31, 2011	149,484
Stock options exercised	2,116
Release of restricted stock units, net of shares withheld for employee taxes	1,432
Grant of restricted Class A Common Stock	17
Repurchase of Class A Common Stock	(2,729)
December 29, 2012	150,320
Stock options exercised	2,619
Release of restricted stock units, net of shares withheld for employee taxes	1,402
Grant of restricted Class A Common Stock	15
Repurchase of Class A Common Stock	—
December 28, 2013	154,356

Note 15 - Legal Settlement

We have been a claimant in a class action proceeding seeking damages from certain manufacturers of LCD flat panel displays. On July 12, 2013, the federal district judge overseeing the proceeding issued an order approving a plan of distribution to the class claimants. In July 2013, we received a distribution of $29,494, net of all attorney fees and expenses, which was reflected as a reduction of selling, general and administrative expenses in 2013. In January 2014, the federal district judge overseeing the proceeding issued an order approving a final distribution which entitles us to an incremental award of approximately $6,500, net of all attorney fees and expenses, which is expected to be received and recognized in the first quarter of 2014.

SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS
(In 000s)

Description	Balance at Beginning of Year	Charged to Costs and Expenses	Deductions	Other(*)	Balance at End of Year
Allowance for doubtful accounts:					
2013	$ 63,815	$ 13,564	$ (21,217)	$ 297	$ 56,459
2012	50,635	18,054	(19,177)	14,303	63,815
2011	67,006	7,960	(21,841)	(2,490)	50,635
Allowance for sales returns:					
2013	$ 14,219	$ 202,674	$ (204,133)	$ 332	$ 13,092
2012	9,601	170,608	(169,483)	3,493	14,219
2011	8,788	203,567	(202,532)	(222)	9,601

(*) “Other” includes recoveries, acquisitions, and the effect of fluctuation in foreign currency.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Ingram Micro Inc.:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows present fairly, in all material respects, the financial position of Ingram Micro Inc. and its subsidiaries at December 28, 2013 and December 29, 2012, and the results of their operations, and their cash flows for each of the three years in the period ended December 28, 2013 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the accompanying index presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 28, 2013, based on criteria established in Internal Control — Integrated Framework (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our integrated 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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.

/s/ PricewaterhouseCoopers LLP

Orange County, California
February 18, 2014

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There have been no changes in our independent accountants or disagreements with such accountants on accounting principles or practices or financial statement disclosures.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures. We maintain “disclosure controls and procedures,” as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”), that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. 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. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply judgment in evaluating the cost-benefit relationship of those disclosure controls and procedures. The design of any disclosure controls and procedures 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.

Based on their evaluation as of the end of the period covered by this Annual Report on Form 10-K, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective in providing reasonable assurance that the objectives of the disclosure controls and procedures are met.

Management’s Report on Internal Control over Financial Reporting. Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) of the Securities Exchange Act of 1934. Because of its inherent limitations, internal control over financial reporting may not prevent or detect all 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.

We assessed the effectiveness of the Company’s internal control over financial reporting as of December 28, 2013. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) in *Internal Control — Integrated Framework* (1992). Based on our assessment using those criteria, we concluded that our internal control over financial reporting was effective as of December 28, 2013.

The effectiveness of our internal control over financial reporting as of December 28, 2013 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears in this Form 10-K.

Changes in Internal Control over Financial Reporting. There was no change in our internal control over financial reporting that occurred during the quarterly period ended December 28, 2013 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

We are in the process of upgrading our computer systems used for operations in certain of our subsidiaries. Implementation of these systems has necessitated changes in operating policies and procedures and the related internal controls and their method of application. However, there have been no changes in our internal control over financial reporting that occurred during the last fiscal year covered by this report that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

Information regarding executive officers required by Item 401 of Regulation S-K is furnished in a separate disclosure in Part I of this report, under the caption “Executive Officers of the Company,” because we will not furnish such information in our definitive Proxy Statement prepared in accordance with Schedule 14A.

The Notice and Proxy Statement for the 2014 Annual Meeting of Shareholders, to be filed pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, certain portions of which are incorporated by reference in this Annual Report on Form 10-K pursuant to General Instruction G(3) of Form 10-K, will provide the remaining information required under Part III (Items 10, 11, 12, 13 and 14).

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)1. Financial Statements

See "Index to Consolidated Financial Statements" under "Part II, Item 8. Financial Statements and Supplementary Data" of this Annual Report.

(a)2. Financial Statement Schedules

See "Financial Statement Schedule II — Valuation and Qualifying Accounts" of this Annual Report under "Part II, Item 8. Financial Statements and Supplementary Data."

(a)3. List of Exhibits

Exhibit No.	Exhibit
2.1***	Agreement and Plan of Merger, dated June 29, 2012, among Ingram Micro Inc., Brightpoint, Inc. and Beacon Sub, Inc. (incorporated by reference to Exhibit 2.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on July 2, 2012)
3.1	Certificate of Incorporation of Ingram Micro Inc. (incorporated by reference to Exhibit 3.01 to Ingram Micro Inc.'s Registration Statement on Form S-1 (File No. 333-08453))
3.2	Certificate of Amendment of the Certificate of Incorporation of Ingram Micro Inc. dated as of June 5, 2001 (incorporated by reference to Exhibit 3.2 to Ingram Micro Inc.'s Registration Statement on Form S-4 (File No. 333-69816))
3.3	Certificate of Amendment dated June 9, 2010 to Ingram Micro Inc.'s Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on June 10, 2010)
3.4	Amended and Restated Bylaws, amended and restated as of March 6, 2012 (incorporated by reference to Exhibit 3.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on March 8, 2012)
4.3	Form of Indenture between Ingram Micro Inc. and Deutsche Bank Trust Company Americas (incorporated by reference to Exhibit 4.3 to Ingram Micro Inc.'s Registration Statement on Form S-3 (File No. 333-168859))
4.4	Indenture, dated August 10, 2012 between Ingram Micro Inc. and Deutsche Bank Trust Company Americas (incorporated by reference to Exhibit 4.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on August 10, 2012)
4.5	Officer's Certificate, dated August 10, 2012, pursuant to Sections 2.02 and 11.04 of the Indenture (incorporated by reference to Exhibit 4.2 to Ingram Micro Inc.'s Current Report on Form 8-K filed on August 10, 2012)
10.1†	Compensation Program — Ingram Micro Inc. Compensation Policy for Members of the Board of Directors (as amended and restated as of November 29, 2011) (incorporated by reference to Exhibit 10.2 to Ingram Micro Inc.'s Current Report on Form 8-K filed December 2, 2011, the "December 2011 8-K")
10.2†	Compensation Plan — First Amendment to the Ingram Micro Inc. Compensation Policy for Members of the Board of Directors (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on June 6, 2013)
10.3†	Amended and Restated Compensation Policy for Members of the Board of Directors (as amended September 17, 2013) (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed September 19, 2013)

Exhibit No.	Exhibit
10.4†	Retirement Program — Ingram Micro Inc. Board of Directors Deferred Compensation Plan, effective December 31, 2008 and related Adoption Agreement (incorporated by reference to Exhibit 10.2 to Ingram Micro Inc.'s Current Report on Form 8-K filed December 23, 2008, the "December 2008 8-K")
10.5†	Retirement Program — Ingram Micro Amended and Restated 401(k) Investment Plan ("401K Plan") (incorporated by reference to Exhibit 10.6 to Ingram Micro Inc.'s Annual Report on Form 10-K for the 2005 fiscal year)
10.6†	Retirement Program — First Amendment to 401K Plan (incorporated by reference to Exhibit 10.4 to Ingram Micro Inc.'s Annual Report on Form 10-K for the 2006 fiscal year, the "2006 10-K")
10.7†	Retirement Program — Second Amendment to 401K Plan (incorporated by reference to Exhibit 10.5 to the 2006 10-K)
10.8†	Retirement Program — Third Amendment to 401K Plan (incorporated by reference to Exhibit 10.6 to Ingram Micro Inc.'s Annual Report on Form 10-K for the 2008 fiscal year, the "2008 10-K")
10.9†	Retirement Program — Fourth Amendment to 401K Plan (incorporated by reference to Exhibit 10.4 to the December 2008 8-K)
10.10†	Retirement Program — Fifth Amendment to 401K Plan (incorporated by reference to Exhibit 10.5 to the December 2008 8-K)
10.11†	Retirement Program — Sixth Amendment to 401K Plan (incorporated by reference to Exhibit 10.9 to the 2008 10-K)
10.12†	Retirement Program — Seventh Amendment to 401K Plan (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q for the 2009 quarter ended October 3, 2009)
10.13†	Retirement Program — Eighth Amendment to 401K Plan (incorporated by reference to Exhibit 10.11 to Ingram Micro Inc.'s Annual Report on Form 10-K for the 2009 fiscal year, the "2009 10-K")
10.14†	Retirement Program — Ninth Amendment to 401K Plan (incorporated by reference to Exhibit 10.12 to Ingram Micro's Annual Report on Form 10-K for the 2010 fiscal year, the "2010 10-K")
10.15†	Retirement Program — Tenth Amendment to 401K Plan (incorporated by reference to Exhibit 10.13 to Ingram Micro Inc.'s Annual Report on Form 10-K for the 2011 fiscal year, the "2011 10-K")
10.16†	Retirement Program — Ingram Micro Inc. Supplemental Investment Savings Plan, amended and restated as of December 31, 2008 and related Adoption Agreement (incorporated by reference to Exhibit 10.3 to the December 2008 8-K)
10.17†	Retirement Program — Amendment No. 1 to the Ingram Micro Inc. Supplemental Investment Savings Plan (incorporated by reference to Exhibit 10.13 to the 2009 10-K)
10.18†	Retirement Program — Amendment No. 2 to the Ingram Micro Inc. Supplemental Investment Savings Plan (incorporated by reference to Exhibit 10.16 to the 2011 10-K)
10.19†	Retirement Program — Amendment No. 3 to the Ingram Micro Inc. Supplemental Investment Savings Plan (incorporated by reference to Exhibit 10.17 to Ingram Micro Inc.'s Annual Report on Form 10-K for the 2012 fiscal year)
10.20†	Ingram Micro Inc. Amended and Restated 2003 Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q for the 2008 quarter ended June 28, 2008)
10.21†	Ingram Micro Inc. 2011 Incentive Plan (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on June 9, 2011)
10.22†	First Amendment to the Ingram Micro Inc. 2011 Incentive Plan (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on June 6, 2013)
10.23†	Ingram Micro Inc. Executive Officer Severance Policy, as amended on September 7, 2010 (incorporated by reference to Exhibit 10.2 to Ingram Micro Inc.'s Current Report on Form 8-K filed on September 9, 2010, the "September 2010 8-K")
10.24†	Ingram Micro Inc. Compensation Recovery Policy, dated January 20, 2010 (incorporated by reference to Exhibit 99.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on January 21, 2010)

Exhibit No.	Exhibit
10.25†	Employment Letter dated June 8, 2009 to Alain Maquet (incorporated by reference to Exhibit 99.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q for the 2009 quarter ended July 4, 2009)
10.26	Credit Agreement dated as of September 28, 2011 among Ingram Micro Inc. and certain of its subsidiaries, The Bank of Nova Scotia, as administrative agent, Bank of America, N.A., BNP Paribas, The Royal Bank of Scotland PLC and Union Bank, N.A., as co-syndication agents, and various other lenders (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on September 29, 2011)
10.27	Amendment No. 1 to Credit Agreement dated as of August 15, 2013 (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on August 16, 2013)
10.28	Lender Joinder Agreement dated as of November 26, 2012 (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on November 26, 2012)
10.29	Receivables Purchase Agreement dated April 26, 2010 (the "Receivables Purchase Agreement") among Ingram Micro Inc., Ingram Funding Inc., the various Purchaser Groups from time to time party thereto and BNP Paribas (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on April 28, 2010, the "April 2010 8-K")
10.30	Receivables Sale Agreement dated April 26, 2010 (the "Receivables Sale Agreement") among Ingram Micro Inc., Ingram Funding Inc. and each of the other entities party thereto from time to time as Originators (incorporated by reference to Exhibit 10.2 to the April 2010 8-K)
10.31	Omnibus Amendment No. 1 dated April 28, 2011 to the Receivables Purchase Agreement and Receivables Sale Agreement (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on May 2, 2011)
10.32	Amendment No. 2 dated December 16, 2011 to the Receivables Purchase Agreement (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on December 19, 2011)
10.33	Omnibus Amendment No. 2 dated November 1, 2012 among Ingram Micro Inc., Ingram Funding Inc., BNP Paribas, the various Purchaser Groups from time to time party thereto and The Bank of Nova Scotia (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on November 1, 2012)
10.34*	Amendment No. 4 dated November 1, 2013 to the Receivables Purchase Agreement
10.35	Commitment Letter, dated June 29, 2012, among Ingram Micro Inc. and Morgan Stanley Senior Funding, Inc. (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on July 2, 2012)
10.36†	Ingram Micro Inc. Change in Control Policy dated September 7, 2010 (incorporated by reference to Exhibit 10.1 to the September 2010 8-K)
10.37†	Employment Offer Letter for Gregory M.E. Spierkel dated April 7, 2005 (incorporated by reference to Exhibit 99.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q for the 2010 quarter ended April 3, 2010, the "Q1 2010 10-Q")
10.38†	Separation Agreement with Gregory Spierkel (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q filed on May 1, 2012)
10.39†	Employment Offer Letter for William D. Humes dated March 28, 2005 (incorporated by reference to Exhibit 99.3 to the Q1 2010 10-Q)
10.40†	Letter relating to Bill Humes' promotion dated April 25, 2012 (incorporated by reference to Exhibit 10.2 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q filed on May 1, 2012)
10.41†	Employment Offer Letter for Shailendra Gupta dated January 21, 2008 (incorporated by reference to Exhibit 99.4 to the Q1 2010 10-Q)
10.42†	Letter dated June 10, 2011 relating to equity awards to Alain Maquet (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q for the 2011 quarter ended July 2, 2011)
10.43†	Letter dated January 16, 2012 relating to the promotion of Alain Monié to President and Chief Executive Officer (incorporated by reference to Exhibit 10.32 to the 2011 10-K)

Exhibit No.	Exhibit
10.44†	Separation Agreement effective December 7, 2012 between Keith W.F. Bradley and Ingram Micro Inc. (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on December 19, 2012)
10.45†	Amendment to Separation Agreement with Keith W.F. Bradley (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q filed on May 7, 2013)
10.46†	Form of Directors & Officers Indemnification Agreement (incorporated by reference to Exhibit 10.1 to the December 2011 8-K)
10.47†	Offer Letter to Paul Read dated September 18, 2013 (incorporated by reference to Exhibit 10.3 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q filed on October 25, 2013)
10.48*†	Retirement Program — Ingram Micro Amended and Restated 401(k) Investment Plan effective as of January 1, 2013
12.1*	Computation of Consolidated Ratio of Earnings to Fixed Charges
14.1	Code of Conduct, amended and restated as of March 6, 2012 (incorporated by reference to Exhibit 14.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on March 8, 2012)
21.1*	Subsidiaries of the Registrant
23.1*	Consent of Independent Registered Public Accounting Firm
31.1*	Certification by Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act
31.2*	Certification by Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act
32.1*	Certification by Principal Executive Officer and Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act
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* Filed herewith.

** XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

*** Ingram Micro has omitted certain schedules and exhibits pursuant to Item 601(b)(2) of Regulation S-K and shall furnish supplementally to the SEC copies of any of the omitted schedules and exhibits upon request by the SEC.

† Indicates management contract or compensatory plan or arrangement.

SIGNATURES

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.

INGRAM MICRO INC.

By: /s/ *Larry C. Boyd*

Larry C. Boyd
Executive Vice President, Secretary and
General Counsel

February 18, 2014

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/ *Alain Monié* Alain Monié	Chief Executive Officer; Director (Principal Executive Officer)	February 18, 2014
/s/ *William D. Humes* William D. Humes	Chief Financial Officer (Principal Financial and Accounting Officer)	February 18, 2014
/s/ *Dale R. Laurance* Dale R. Laurance	Chairman of the Board	February 18, 2014
/s/ *Howard I. Atkins* Howard I. Atkins	Director	February 18, 2014
/s/ *Leslie S. Heisz* Leslie S. Heisz	Director	February 18, 2014
/s/ *John R. Ingram* John R. Ingram	Director	February 18, 2014
/s/ *Orrin H. Ingram II* Orrin H. Ingram II	Director	February 18, 2014
/s/ *Linda Fayne Levinson* Linda Fayne Levinson	Director	February 18, 2014
/s/ *Scott A. McGregor* Scott A. McGregor	Director	February 18, 2014
/s/ *Wade Oosterman* Wade Oosterman	Director	February 18, 2014
/s/ *Michael T. Smith* Michael T. Smith	Director	February 18, 2014
/s/ *Joe B. Wyatt* Joe B. Wyatt	Director	February 18, 2014

EXHIBIT INDEX

Exhibit No.	Exhibit
2.1***	Agreement and Plan of Merger, dated June 29, 2012, among Ingram Micro Inc., Brightpoint, Inc. and Beacon Sub, Inc. (incorporated by reference to Exhibit 2.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on July 2, 2012)
3.1	Certificate of Incorporation of Ingram Micro Inc. (incorporated by reference to Exhibit 3.01 to Ingram Micro Inc.'s Registration Statement on Form S-1 (File No. 333-08453))
3.2	Certificate of Amendment of the Certificate of Incorporation of Ingram Micro Inc. dated as of June 5, 2001 (incorporated by reference to Exhibit 3.2 to Ingram Micro Inc.'s Registration Statement on Form S-4 (File No. 333-69816))
3.3	Certificate of Amendment dated June 9, 2010 to Ingram Micro Inc.'s Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on June 10, 2010)
3.4	Amended and Restated Bylaws, amended and restated as of March 6, 2012 (incorporated by reference to Exhibit 3.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on March 8, 2012)
4.3	Form of Indenture between Ingram Micro Inc. and Deutsche Bank Trust Company Americas (incorporated by reference to Exhibit 4.3 to Ingram Micro Inc.'s Registration Statement on Form S-3 (File No. 333-168859))
4.4	Indenture, dated August 10, 2012 between Ingram Micro Inc. and Deutsche Bank Trust Company Americas (incorporated by reference to Exhibit 4.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on August 10, 2012)
4.5	Officer's Certificate, dated August 10, 2012, pursuant to Sections 2.02 and 11.04 of the Indenture (incorporated by reference to Exhibit 4.2 to Ingram Micro Inc.'s Current Report on Form 8-K filed on August 10, 2012)
10.1†	Compensation Program — Ingram Micro Inc. Compensation Policy for Members of the Board of Directors (as amended and restated as of November 29, 2011) (incorporated by reference to Exhibit 10.2 to Ingram Micro Inc.'s Current Report on Form 8-K filed December 2, 2011, the "December 2011 8-K")
10.2†	Compensation Plan — First Amendment to the Ingram Micro Inc. Compensation Policy for Members of the Board of Directors (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on June 6, 2013)
10.3†	Amended and Restated Compensation Policy for Members of the Board of Directors (as amended September 17, 2013) (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed September 19, 2013)
10.4†	Retirement Program — Ingram Micro Inc. Board of Directors Deferred Compensation Plan, effective December 31, 2008 and related Adoption Agreement (incorporated by reference to Exhibit 10.2 to Ingram Micro Inc.'s Current Report on Form 8-K filed December 23, 2008, the "December 2008 8-K")
10.5†	Retirement Program — Ingram Micro Amended and Restated 401(k) Investment Plan ("401K Plan") (incorporated by reference to Exhibit 10.6 to Ingram Micro Inc.'s Annual Report on Form 10-K for the 2005 fiscal year)
10.6†	Retirement Program — First Amendment to 401K Plan (incorporated by reference to Exhibit 10.4 to Ingram Micro Inc.'s Annual Report on Form 10-K for the 2006 fiscal year, the "2006 10-K")
10.7†	Retirement Program — Second Amendment to 401K Plan (incorporated by reference to Exhibit 10.5 to the 2006 10-K)
10.8†	Retirement Program — Third Amendment to 401K Plan (incorporated by reference to Exhibit 10.6 to Ingram Micro Inc.'s Annual Report on Form 10-K for the 2008 fiscal year, the "2008 10-K")
10.9†	Retirement Program — Fourth Amendment to 401K Plan (incorporated by reference to Exhibit 10.4 to the December 2008 8-K)
10.10†	Retirement Program — Fifth Amendment to 401K Plan (incorporated by reference to Exhibit 10.5 to the December 2008 8-K)
10.11†	Retirement Program — Sixth Amendment to 401K Plan (incorporated by reference to Exhibit 10.9 to the 2008 10-K)

10.12†	Retirement Program — Seventh Amendment to 401K Plan (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q for the 2009 quarter ended October 3, 2009)
10.13†	Retirement Program — Eighth Amendment to 401K Plan (incorporated by reference to Exhibit 10.11 to Ingram Micro Inc.'s Annual Report on Form 10-K for the 2009 fiscal year, the "2009 10-K")
10.14†	Retirement Program — Ninth Amendment to 401K Plan (incorporated by reference to Exhibit 10.12 to Ingram Micro's Annual Report on Form 10-K for the 2010 fiscal year, the "2010 10-K")
10.15†	Retirement Program — Tenth Amendment to 401K Plan (incorporated by reference to Exhibit 10.13 to Ingram Micro Inc.'s Annual Report on Form 10-K for the 2011 fiscal year, the "2011 10-K")
10.16†	Retirement Program — Ingram Micro Inc. Supplemental Investment Savings Plan, amended and restated as of December 31, 2008 and related Adoption Agreement (incorporated by reference to Exhibit 10.3 to the December 2008 8-K)
10.17†	Retirement Program — Amendment No. 1 to the Ingram Micro Inc. Supplemental Investment Savings Plan (incorporated by reference to Exhibit 10.13 to the 2009 10-K)
10.18†	Retirement Program — Amendment No. 2 to the Ingram Micro Inc. Supplemental Investment Savings Plan (incorporated by reference to Exhibit 10.16 to the 2011 10-K)
10.19†	Retirement Program — Amendment No. 3 to the Ingram Micro Inc. Supplemental Investment Savings Plan (incorporated by reference to Exhibit 10.17 to Ingram Micro Inc.'s Annual Report on Form 10-K for the 2012 fiscal year)
10.20†	Ingram Micro Inc. Amended and Restated 2003 Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q for the 2008 quarter ended June 28, 2008)
10.21†	Ingram Micro Inc. 2011 Incentive Plan (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on June 9, 2011)
10.22†	First Amendment to the Ingram Micro Inc. 2011 Incentive Plan (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on June 6, 2013)
10.23†	Ingram Micro Inc. Executive Officer Severance Policy, as amended on September 7, 2010 (incorporated by reference to Exhibit 10.2 to Ingram Micro Inc.'s Current Report on Form 8-K filed on September 9, 2010, the "September 2010 8-K")
10.24†	Ingram Micro Inc. Compensation Recovery Policy, dated January 20, 2010 (incorporated by reference to Exhibit 99.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on January 21, 2010)
10.25†	Employment Letter dated June 8, 2009 to Alain Maquet (incorporated by reference to Exhibit 99.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q for the 2009 quarter ended July 4, 2009)
10.26	Credit Agreement dated as of September 28, 2011 among Ingram Micro Inc. and certain of its subsidiaries, The Bank of Nova Scotia, as administrative agent, Bank of America, N.A., BNP Paribas, The Royal Bank of Scotland PLC and Union Bank, N.A., as co-syndication agents, and various other lenders (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on September 29, 2011)
10.27	Amendment No. 1 to Credit Agreement dated as of August 15, 2013 (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on August 16, 2013)
10.28	Lender Joinder Agreement dated as of November 26, 2012 (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on November 26, 2012)
10.29	Receivables Purchase Agreement dated April 26, 2010 (the "Receivables Purchase Agreement") among Ingram Micro Inc., Ingram Funding Inc., the various Purchaser Groups from time to time party thereto and BNP Paribas (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on April 28, 2010, the "April 2010 8-K")
10.30	Receivables Sale Agreement dated April 26, 2010 (the "Receivables Sale Agreement") among Ingram Micro Inc., Ingram Funding Inc. and each of the other entities party thereto from time to time as Originators (incorporated by reference to Exhibit 10.2 to the April 2010 8-K)
10.31	Omnibus Amendment No. 1 dated April 28, 2011 to the Receivables Purchase Agreement and Receivables Sale Agreement (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on May 2, 2011)

10.32	Amendment No. 2 dated December 16, 2011 to the Receivables Purchase Agreement (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on December 19, 2011)
10.33	Omnibus Amendment No. 2 dated November 1, 2012 among Ingram Micro Inc., Ingram Funding Inc., BNP Paribas, the various Purchaser Groups from time to time party thereto and The Bank of Nova Scotia (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on November 1, 2012)
10.34*	Amendment No. 4 dated November 1, 2013 to the Receivables Purchase Agreement
10.35	Commitment Letter, dated June 29, 2012, among Ingram Micro Inc. and Morgan Stanley Senior Funding, Inc. (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on July 2, 2012)
10.36†	Ingram Micro Inc. Change in Control Policy dated September 7, 2010 (incorporated by reference to Exhibit 10.1 to the September 2010 8-K)
10.37†	Employment Offer Letter for Gregory M.E. Spierkel dated April 7, 2005 (incorporated by reference to Exhibit 99.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q for the 2010 quarter ended April 3, 2010, the "Q1 2010 10-Q")
10.38†	Separation Agreement with Gregory Spierkel (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q filed on May 1, 2012)
10.39†	Employment Offer Letter for William D. Humes dated March 28, 2005 (incorporated by reference to Exhibit 99.3 to the Q1 2010 10-Q)
10.40†	Letter relating to Bill Humes' promotion dated April 25, 2012 (incorporated by reference to Exhibit 10.2 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q filed on May 1, 2012)
10.41†	Employment Offer Letter for Shailendra Gupta dated January 21, 2008 (incorporated by reference to Exhibit 99.4 to the Q1 2010 10-Q)
10.42†	Letter dated June 10, 2011 relating to equity awards to Alain Maquet (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q for the 2011 quarter ended July 2, 2011)
10.43†	Letter dated January 16, 2012 relating to the promotion of Alain Monié to President and Chief Executive Officer (incorporated by reference to Exhibit 10.32 to the 2011 10-K)
10.44†	Separation Agreement effective December 7, 2012 between Keith W.F. Bradley and Ingram Micro Inc. (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on December 19, 2012)
10.45†	Amendment to Separation Agreement with Keith W.F. Bradley (incorporated by reference to Exhibit 10.1 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q filed on May 7, 2013)
10.46†	Form of Directors & Officers Indemnification Agreement (incorporated by reference to Exhibit 10.1 to the December 2011 8-K)
10.47†	Offer Letter to Paul Read dated September 18, 2013 (incorporated by reference to Exhibit 10.3 to Ingram Micro Inc.'s Quarterly Report on Form 10-Q filed on October 25, 2013)
10.48*†	Retirement Program — Ingram Micro Amended and Restated 401(k) Investment Plan effective as of January 1, 2013
12.1*	Computation of Consolidated Ratio of Earnings to Fixed Charges
14.1	Code of Conduct, amended and restated as of March 6, 2012 (incorporated by reference to Exhibit 14.1 to Ingram Micro Inc.'s Current Report on Form 8-K filed on March 8, 2012)
21.1*	Subsidiaries of the Registrant
23.1*	Consent of Independent Registered Public Accounting Firm
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Exhibit 10.34

AMENDMENT NO. 4
RECEIVABLES PURCHASE AGREEMENT

This AMENDMENT NO. 4 TO RECEIVABLES PURCHASE AGREEMENT, dated as of November 1, 2013 (this "Amendment"), is entered into among INGRAM FUNDING INC., a Delaware corporation, as seller (the "Seller"), INGRAM MICRO INC., a Delaware corporation, as servicer (in such capacity, the "Servicer"), THE PURCHASERS LISTED ON THE SIGNATURE PAGES HERETO (the "Purchasers"), THE PURCHASER AGENTS LISTED ON THE SIGNATURE PAGES HERETO (the "Purchaser Agents") and THE BANK OF NOVA SCOTIA, as program administrator (in such capacity, the "Administrative Agent") for each Purchaser Group.

BACKGROUND

The parties to this Amendment are also parties to a Receivables Purchase Agreement, dated as of April 26, 2010 (as amended by that certain Amendment No. 1 to Receivables Purchase Agreement dated as of June 24, 2010, that certain Omnibus Amendment No. 1, dated as of April 28, 2011, that certain Amendment No. 2 to Receivables Purchase Agreement dated as of December 16, 2011 and that certain Omnibus Amendment No. 2, dated as of November 1, 2012, and as otherwise amended, supplemented or otherwise modified from time to time, the "Receivables Purchase Agreement").

Market Street Funding LLC ("Market Street"), as the assignor (in such capacity, the "Assignor"), desires to sell, assign and delegate to PNC Bank, National Association ("PNC"), as the assignee (in such capacity, the "Assignee"), all of the Assignor's rights under, interest in, title to and obligations under the Receivables Purchase Agreement and the other Transaction Documents (collectively, the "Assigned Documents"), and the Assignee desires to purchase and assume from the Assignor all of the Assignor's rights under, interest in, title to and obligations under the Assigned Documents.

After giving effect to the assignment and assumption contemplated in Section 2 of this Amendment, each of the parties hereto desires that Market Street cease to be a party to the Receivables Purchase Agreement and each of the other Assigned Documents to which it is a party and to be discharged from its duties and obligations as a Purchaser or otherwise under the Receivables Purchase Agreement and each of the other Assigned Documents.

Concurrently herewith, the Seller, the Servicer and PNC are entering into that certain Amended and Restated Fee Letter, dated as of the date hereof (the "Amended and Restated PNC Fee Letter").

AGREEMENT

1. Definitions. Capitalized terms are used in this Amendment as defined in Exhibit I of the Receivables Purchase Agreement.

2. Assignment and Assumption.

(a) *Sale and Assignment by Assignor to Assignee*. At or before 2:00 pm (New York time) on the date hereof, the Assignee shall pay to the Assignor, in immediately available funds, (i) the amount set forth on Exhibit A hereto (such amount, the "Capital Payment") representing 100.00% of the aggregate Capital of the Assignor under the Receivables Purchase Agreement on the date hereof and (ii) the amount set forth on Exhibit A hereto representing all accrued but unpaid (whether or not then due) Yield, Fees and other costs and expenses payable in respect of such Capital to but excluding the date hereof (such amount, the "CP Costs and Other Costs"; together with the Capital Payment, collectively, the "Payoff Amount"). Upon the Assignor's receipt of the Payoff Amount in its entirety, the Assignor hereby sells, transfers, assigns and delegates to the Assignee, without recourse, representation or warranty except as otherwise provided herein, and the Assignee hereby irrevocably purchases, receives, accepts and assumes from the Assignor, all of the Assignor's rights under, interest in, title to and all its obligations under the Receivables Purchase

Agreement and the other Assigned Documents. Without limiting the generality of the foregoing, the Assignor hereby assigns to the Assignee all of its right, title and interest in the Pool Assets.

Payment of each portion of the Payoff Amount shall be made by wire transfer of immediately available funds in accordance with the payment instructions set forth on Exhibit B hereto.

(b) *Removal of Assignor*. From and after the Effective Date (as defined below), the Assignor shall cease to be a party to the Receivables Purchase Agreement and each of the other Assigned Documents to which it was a party and shall no longer have any rights or obligations under the Receivables Purchase Agreement or any other Assigned Document (other than such rights which by their express terms survive termination thereof).

(c) *Limitation on Liability*. Notwithstanding anything to the contrary set forth in this Amendment, the Assignee does not accept or assume any liability or responsibility for any breach, failure or other act or omission on the part of the Assignor, or any indemnification or other cost, fee or expense related thereto, in each case which occurred or directly or indirectly arose out of an event which occurred prior to the Effective Date.

(d) *Acknowledgement and Agreement*. Each of the parties and signatories hereto (i) hereby acknowledges and agrees to the sale, assignment and assumption set forth in clause (a) above, (ii) expressly waives any notice or other applicable requirements set forth in any Transaction Document as a prerequisite or condition precedent to such sale, assignment and assumption (other than as set forth herein) and (iii) acknowledges and agrees that this Section 2 is in form and substance substantially similar to a Transfer Supplement.

3. Amendments to Receivables Purchase Agreement. The Seller, the Servicer, the Purchasers, Purchaser Agents and the Administrative Agent agree that the Receivables Purchase Agreement is hereby amended as follows:

(a) The following new paragraph is hereby added to Section 1.1(a) of the Receivables Purchase Agreement immediately following the first paragraph thereof:

> Each of the parties hereto hereby acknowledges and agrees that from and after the Fourth Amendment Effective Date, (x) the PNC Purchaser Group shall not include a Conduit Purchaser, and (y) each request by the Seller for Purchases pursuant to Section 1.1(a) shall be deemed to be a request that PNC, as the Purchaser with respect to the PNC Purchaser Group, make the PNC Purchaser Group's Ratable Share of such Purchases.

(b) Section 1.7(b) of the Receivables Purchase Agreement is hereby amended by replacing the term "Eurodollar Rate" where it appears therein with the phrase "Eurodollar Rate or LMIR".

(c) Section 1.8(ii) of the Receivables Purchase Agreement is hereby amended by replacing the phrase "Eurodollar Rate or the Alternate Base Rate" where it appears therein with the phrase "Eurodollar Rate, LMIR or the Alternate Base Rate".

(d) Section 1.8(iii) of the Receivables Purchase Agreement is hereby amended by replacing the phrase "Eurodollar Rate or the Alternate Base Rate" in each place where it appears therein with the phrase "Eurodollar Rate, LMIR or the Alternate Base Rate".

(e) Section 1.10 of the Receivables Purchase Agreement is hereby replaced in its entirety with the following:

> Section 1.10. Inability to Determine Eurodollar Rate or LMIR. In the event that any Purchaser Agent shall have determined prior to the first day of any Settlement Period (or solely with respect to LMIR, on any day) (which determination shall be conclusive and binding upon the parties hereto) by reason of circumstances, affecting the interbank Eurodollar market, either (a) dollar deposits in the relevant amounts and for the relevant Settlement Period are not available, (b) adequate and reasonable means do not exist for

ascertaining the Eurodollar Rate or LMIR for such Settlement Period (or portion thereof) or (c) the Eurodollar Rate determined pursuant hereto does not accurately reflect the cost to any Purchaser (as conclusively determined by the related Purchaser) of maintaining any Portion of Capital during such Settlement Period (or portion thereof), such Purchaser Agent shall promptly give telephonic notice of such determination, confirmed in writing, to the Seller prior to the first day of such Settlement Period (or solely with respect to LMIR, promptly after such determination). Upon delivery of such notice (a) no Portion of Capital shall be funded by the Purchasers in the related Purchaser Group thereafter at the Alternate Rate determined by reference to the Eurodollar Rate or LMIR, unless and until such Purchaser Agent shall have given notice to the Seller that the circumstances giving rise to such determination no longer exist (which notice such Purchaser Agent shall give to the Seller promptly after such circumstances no longer exist) and (b) with respect to any outstanding Portions of Capital then funded at the Alternate Rate determined by reference to the Eurodollar Rate, such Alternate Rate shall automatically be converted to the Alternate Rate determined by reference to the Alternate Base Rate at the respective last days of the then current Settlement Periods relating to such Portions of Capital (or solely with respect to LMIR, immediately).

If, on or before the first day of any Settlement Period (or solely with respect to LMIR, on any day), the Administrative Agent shall have been notified by any Purchaser, Purchaser Agent or Alternate Purchaser that, such Person has determined (which determination shall be final and conclusive absent manifest error) that, any enactment, promulgation or adoption of or any change in any applicable Law or any change in the interpretation or administration thereof by a Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by such Person with any guideline, request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency shall make it unlawful or impossible for such Person to fund or maintain any Portion of Capital at the Alternate Rate and based upon the Eurodollar Rate or LMIR, the Administrative Agent shall notify the Seller thereof. Upon receipt of such notice, until the Administrative Agent notifies the Seller that the circumstances giving rise to such determination no longer apply (which notice the Administrative Agent shall give to the Seller promptly after the Administrative Agent has received notice from the Purchaser Agents that such circumstances no longer exist), (a) no Portion of Capital shall be funded at the Alternate Rate determined by reference to the Eurodollar Rate or LMIR and (b) the Yield for any outstanding Portions of Capital then funded at the Alternate Rate determined by reference to the Eurodollar Rate or LMIR shall be converted to the Alternate Rate determined by reference to the Alternate Base Rate either (i) on the last day of the then current Settlement Period (or solely with respect to LMIR, immediately) if such Person may lawfully continue to maintain such Portion of Capital at the Alternate Rate determined by reference to the Eurodollar Rate or LMIR to such day, or (ii) immediately, if such Person may not lawfully continue to maintain such Portion of Capital at the Alternate Rate determined by reference to the Eurodollar Rate or LMIR to such day.

(f) The following new defined terms and definitions thereof are hereby added to Exhibit I of the Receivables Purchase Agreement in appropriate alphabetical order:

"Fourth Amendment Effective Date" means November 1, 2013.

"LMIR" means for any day during any Settlement Period, the one-month Eurodollar rate for U.S. dollar deposits as reported on the Reuters Screen LIBOR01 Page or any other page that may replace such page from time to time for the purpose of displaying offered rates of leading banks for London interbank deposits in United States dollars, as of 11:00 a.m. (London time) on such day, or if such day is not a Business Day, then the immediately preceding Business Day (or if not so reported, then as determined by the Administrative

Agent from another recognized source for interbank quotation), in each case, changing when and as such rate changes.

"PNC" means PNC Bank, National Association.

"PNC Purchaser Group" means the Purchaser Group for which PNC is the Purchaser Agent.

(g) The definition of "Alternate Rate" set forth in Exhibit I to the Receivables Purchase Agreement is replaced in its entirety with the following:

"Alternate Rate" for any Settlement Period for any Capital (or portion thereof) funded by any Purchaser other than through the issuance of Notes, means an interest rate per annum equal to: (I) solely with respect to the PNC Purchaser Group, either (a) the LMIR rate in effect on each day of such Settlement Period or (b) if any of the circumstances described in Section 1.10 exists, the Alternate Base Rate in effect on each such day of such Settlement Period and (II) for any other Purchaser Group, either (a) the Eurodollar Rate for such Settlement Period or (b) if:

(i) any of the circumstances described in Section 1.10 exists, or

(ii) a Settlement Period in which Yield is calculated at the CP Rate is terminated as described in the definition of "Yield",

then the Alternate Base Rate in effect (x) in the case of clause (i), on each day of such Settlement Period or (y) in the case of clause (ii), following such termination.

(h) The definition of "Business Day" set forth in Exhibit I to the Receivables Purchase Agreement is hereby amended by replacing the term "Eurodollar Rate" where it appears therein with the phrase "Eurodollar Rate or LMIR".

(i) The definition of "Purchaser Group" set forth in Exhibit I to the Receivables Purchase Agreement is replaced in its entirety with the following:

"Purchaser Group" means, (i) for PNC, PNC as Purchaser and Purchaser Agent and (ii) for each Conduit Purchaser, such Conduit Purchaser, its related Alternate Purchasers, its related Purchaser Agent and its related Liquidity Providers.

(j) Schedule VI to the Receivables Purchase Agreement is amended and restated in its entirety as Schedule VI attached hereto.

(k) Schedule A to the Receivables Purchase Agreement is amended and restated in its entirety as Schedule A attached hereto.

4. Notice Address. PNC's address for notices under the Loan Agreement in each of its capacities thereunder shall be the following:

Address: PNC Bank, National Association
Three PNC Plaza
225 Fifth Avenue
Pittsburgh, PA 15222-2707
Attention: Robyn Reeher
Telephone: (412) 768-3090
Telecopy: (412) 762-9184

email: robyn.reeher@pnc.com

5. Representations and Warranties of the Seller and Servicer. Each of the Seller and the Servicer hereby represents and warrants, as to itself, to the Administrative Agent, each Purchaser, each Purchaser Agent and the Assignee, as follows:

(a) *Representations and Warranties*. Immediately after giving effect to this Amendment, the representations and warranties made by such Person in the Transaction Documents to which it is a party are true and correct as of the date hereof (unless stated to relate solely to an earlier date, in which case such representations or warranties were true and correct as of such earlier date).

(b) *Enforceability*. This Amendment and each other Transaction Document to which it is a party, as amended hereby, constitute the legal, valid and binding obligation of such Person enforceable against such Person in accordance with its respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether enforceability is considered in a proceeding in equity or at law.

(c) *No Termination Event*. No event has occurred and is continuing, or would result from the transactions contemplated hereby, that constitutes a Termination Event or an Unmatured Termination Event.

6. Conditions. This Amendment shall become effective as of the date hereof (the "Effective Date") upon the satisfaction of the following conditions precedent:

(a) *Execution of Amendment*. The Administrative Agent shall have received counterparts hereto duly executed by each of the parties hereto.

(b) *Execution of Amended and Restated PNC Fee Letter*. PNC shall have received counterparts of the Amended and Restated PNC Fee Letter duly executed by each of the parties thereto.

(c) *Receipt of Payoff Amount*. The Administrative Agent shall have received confirmation that the Assignor shall have received the Payoff Amount in its entirety in accordance with Section 2 of this Amendment.

7. Ratification. This Amendment constitutes an amendment to the Receivables Purchase Agreement. After the execution and delivery of this Amendment, all references to the Receivables Purchase Agreement in any document shall be deemed to refer to the Receivables Purchase Agreement as amended by this Amendment, unless the context otherwise requires. Except as amended above, the Receivables Purchase Agreement is hereby ratified in all respects. Except as set forth above, the execution, delivery and effectiveness of this Amendment shall not operate as an amendment or waiver of any right, power or remedy of the parties hereto under the Receivables Purchase Agreement, nor constitute an amendment or waiver of any provision of the Receivables Purchase Agreement. This Amendment shall not constitute a course of dealing among the parties hereto at variance with the Receivables Purchase Agreement such as to require further notice by any of the Administrative Agent, the Purchaser Agents or the Purchasers to require strict compliance with the terms of the Receivables Purchase Agreement in the future, as amended by this Amendment, except as expressly set forth herein. Each of the Seller and the Servicer hereby acknowledges and expressly agrees that each of the Administrative Agent, the Purchaser Agents and the Purchasers reserves the right to, and does in fact, require strict compliance with all terms and provisions of the Receivables Purchase Agreement, as amended herein.

8. No Proceedings. Each of the parties hereto agrees, for the benefit of the holders of the privately or publicly placed indebtedness for borrowed money of any Conduit Purchaser or Market Street, not, prior to the date which is one (1) year and one (1) day after the payment in full of all privately or publicly placed indebtedness for borrowed money of any Conduit Purchaser or Market Street remains outstanding, to acquiesce, petition or otherwise, directly or indirectly, invoke, or cause any Conduit Purchaser or Market Street to invoke an Insolvency Proceeding by or against any Conduit Purchaser or Market Street. The provisions of this Section 8 shall survive the termination of the Receivables Purchase Agreement.

9. Further Assurances. Each of the Seller and the Servicer hereby agrees to do all such things and execute all such documents and instruments, at the Seller's sole expense, as the Assignee may reasonably consider necessary or desirable to give full effect to the assignment and assumption set forth in Section 2 of this Amendment.

10. Severability. Each provision of this Amendment shall be severable from every other provision of this Amendment for the purpose of determining the legal enforceability of any provision hereof, and the unenforceability of any provision hereof, and the unenforceability of one or more provisions of this Amendment in one jurisdiction shall not have the effect of rendering such provision or provisions unenforceable in any other jurisdiction.

11. Miscellaneous. This Amendment may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective officers hereunto duly authorized as of the day and year first above written.

INGRAM FUNDING INC.,
as Seller

By: /s/ Erik Smolders
Name: Erik Smolders
Title: Treasurer

INGRAM MICRO INC.,
as Servicer

By: /s/ William D. Humes
Name: William D. Humes
Title: Chief Financial Officer

THE PURCHASER GROUPS:

THE BANK OF NOVA SCOTIA,
as Purchaser Agent for the
Liberty Street Purchaser Group

By: /s/ Robert Gass
Name: Robert Gass
Title: Managing Director

THE BANK OF NOVA SCOTIA,
as related Alternate Purchaser

By: /s/ Robert Gass
Name: Robert Gass
Title: Managing Director

LIBERTY STREET FUNDING LLC,
as a Conduit Purchaser

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

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW YORK BRANCH,
as Purchaser Agent for the Victory Purchaser Group

By: /s/ Richard Gregory Hurst
Name: Richard Gregory Hurst
Title: Managing Director

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW YORK BRANCH,
as Alternate Purchaser

By: /s/ Lillian Kim
Name: Lillian Kim
Title: Director

VICTORY RECEIVABLES CORPORATION,
as a Conduit Purchaser

By: /s/ David V. DeAngelis
Name: David V. DeAngelis
Title: Vice President

PNC BANK, NATIONAL ASSOCIATION,
as Purchaser Agent and as Assignee

By: /s/ Robyn A. Reeher
Name: Robyn A. Reeher
Title: Vice President

PNC BANK, NATIONAL ASSOCIATION,
as an Alternate Purchaser

By: /s/ Robyn A. Reeher
Name: Robyn A. Reeher
Title: Vice President

MARKET STREET FUNDING LLC,
as a Conduit Purchaser and as Assignor

By: /s/ Doris J. Hearn
Name: Doris J. Hearn
Title: Vice President

MIZUHO BANK, LTD.,
as Purchaser Agent for the Working Capital Group

By: /s/ Bertram H. Tang
Name: Bertram H. Tang
Title: Authorized Signatory

MIZUHO BANK, LTD.,
as an Alternate Purchaser

By: /s/ Bertram H. Tang
Name: Bertram H. Tang
Title: Authorized Signatory

WORKING CAPITAL MANAGEMENT CO., LP, as a Conduit Purchaser

By: /s/ Shinichi Nochiide
Name: Shinichi Nochiide
Title: Attorney-in-Fact

THE BANK OF NOVA SCOTIA,
as Administrative Agent

By: /s/ Robert Gass
Name: Robert Gass
Title: Managing Director

SCHEDULE A

Purchaser Group	Maximum Purchase Amount
Liberty Street	$300,000,000
PNC	$125,000,000
Victory	$125,000,000
Working Capital	$125,000,000

Exhibit 10.48

INGRAM MICRO
401(K) INVESTMENT SAVINGS PLAN

(Amended and Restated as of January 1, 2013)

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INGRAM MICRO

401(K) INVESTMENT SAVINGS PLAN

INTRODUCTION

Ingram Micro Inc. has adopted this amendment and restatement of the Ingram Micro 401(k) Investment Savings Plan (the “Plan”) effective as of January 1, 2013. The Plan was last amended and restated in its entirety effective as of April 1, 2005. The Plan was initially adopted effective as of November 6, 1996 as the Ingram Micro Thrift Plan, and the Plan name was changed in 1999 to the Ingram Micro 401(k) Investment Savings Plan.

The Plan is intended to provide eligible participants with a convenient way to save on a regular and long-term basis, all as set forth herein and in the trust agreement adopted as a part of the Plan. The benefits provided to any individual under the Plan will depend upon the investment results achieved under such agreement and, accordingly, may vary with respect to each individual. The Plan is a profit-sharing plan which includes a cash or deferred arrangement and provides for employer matching contributions. It is intended that the Plan and trust shall at all times be qualified and tax-exempt within the meaning of Sections 401(a), 401(k), 401(m) and 501(a) of the Internal Revenue Code of 1986, as now in effect or hereafter amended, and any other applicable provisions of law.

ARTICLE I

DEFINITIONS

When used herein the following terms shall have the following meanings:

1.1 Account. "Account" means the account or accounts established and maintained in respect of a Participant pursuant to Section 4.1.

1.2 Actual Deferral Percentage. "Actual Deferral Percentage" means, for a specified group of Participants (either Highly Compensated Employees or Non-highly Compensated Employees) for a Plan Year, the average of the ratios (calculated separately for each Participant in the group) of (1) the amount of Employer contributions actually paid over to the Trust on behalf of such Participant for the Plan Year to (2) the Participant's Compensation for the Plan Year. Compensation, for purposes of this Section 1.2, shall mean compensation within the meaning of Section 414(s) of the Code for the Plan Year. Employer contributions on behalf of any Participant shall include: (1) any Before-Tax Contributions (but not Catch-up Contributions) made pursuant to the Participant's deferral election (including Excess Deferrals of Highly Compensated Employees), but excluding (a) Excess Deferrals of Non-highly Compensated Employees that arise solely from Before-Tax Contributions made under the Plan or plans of the Employer and (b) Before-Tax Contributions that are taken into account in the Contribution Percentage test (provided the Actual Deferral Percentage test is satisfied both with and without these Before-Tax Contributions), and (2) any QNECs or QMACs that are taken into account in the Actual Deferral Percentage Test in accordance with Section 3.5. For purposes of calculating Actual Deferral Percentages, an Employee who would be a Participant but for the failure to make Before-Tax Contributions shall be treated as a Participant on whose behalf no Before-Tax Contributions are made. Actual Deferral Percentages shall be calculated in accordance with Treasury Regulation Section 1.401(k)-2(a)(3).

1.3 Adjustment Factor. "Adjustment Factor" means the cost of living adjustment factor prescribed by the Secretary of the Treasury under Section 415(d) of the Code, as applied to such items and in such manner as the Secretary shall provide.

1.4 Administrator. "Administrator" (as defined in ERISA Section 3(16)(A)) means the Company which also shall be a named fiduciary (as defined in ERISA Section 402(a)(2)).

1.5 After-Tax Contribution Account. "After-Tax Contribution Account" means the Account to which are credited a Participant's After-Tax Contributions and earnings and losses on those contributions.

1.6 After-Tax Contributions. "After-Tax Contributions" means amounts contributed by a Participant pursuant to Section 3.1(b) that were included or includible in the Participant's gross income at the time contributed.

1.7 Annual Addition. "Annual Addition" for purposes of the limitations of Section 415 of the Code has the meaning given to such phrase in Section 3.11(c) of this Plan.

1.8 Average Actual Deferral Percentage. "Average Actual Deferral Percentage" means the average (expressed as a percentage) of the Actual Deferral Percentages of the Eligible Employees in a group.

1.9 Average Contribution Percentage. "Average Contribution Percentage" means the average (expressed as a percentage) of the Contribution Percentages of the Eligible Employees in a group.

1.10 Before-Tax Contribution Account. "Before-Tax Contribution Account" means the Account to which are credited Before-Tax Contributions made on behalf of a Participant pursuant to Section 3.1 and earnings or losses on those contributions.

1.11 Before-Tax Contributions. "Before-Tax Contributions" means the contributions made to the Plan by the Employer on behalf of a Participant who has elected to reduce his Compensation by a like amount pursuant to Section 3.1(a).

1.12 Beneficiary. "Beneficiary" means the beneficiary or beneficiaries designated pursuant to Section 2.2 to receive the amount, if any, payable under the Plan upon the death of a Participant.

1.13 Board of Directors. "Board of Directors" means the Board of Directors of the Company.

1.14 Catch-Up Contribution Account. "Catch-Up Contribution Account" means the account to which are credited Catch-Up Contributions made on behalf of a Participant pursuant to Section 3.3 and earnings and losses on those contributions.

1.15 Catch-Up Contributions. "Catch-Up Contributions" means the contributions made to the Plan by the Employer on behalf of a Participant in accordance with Section 3.3.

1.16 Code. "Code" means the Internal Revenue Code of 1986, as now in effect or hereafter amended.

1.17 Company. "Company" means Ingram Micro Inc. or any successor by merger, consolidation or otherwise.

1.18 Compensation. "Compensation" means, with respect to each Participant for purposes of calculating and allocating contributions to the Plan, the total amount of Box 1 Form W-2 wages as base salary including commissions, shift differentials, over-time pay, annual bonuses, amounts paid under the Long-Term Executive Cash Incentive Award Program and special and incentive bonuses, but excluding benefits under the Plan, benefits under any other pension, profit sharing, stock bonus, phantom stock, nonstatutory stock option, any form of equity-based compensation, hospitalization, life insurance, long-term disability, or other employee benefit plan (including without limiting the foregoing, the Ingram Micro Inc. Supplemental Investment Savings Plan), travel, entertainment, and other business expense allowances from which an accounting is made to the Company, living allowances, imputed income attributable to employer-provided group term life insurance and such other imputed non-cash income recognized as such by the Code and the Company for purposes of the Plan, any home sale costs, reimbursed moving costs, employer-reimbursed or employer-subsidized meals, employer payments for the use of his or her personal car for business purposes, location adjustments or any other similar supplemental type of pay, voluntary or involuntary cashouts under the Paid Time Off (PTO) Program, and severance pay (even if such severance pay takes the form of continued payroll compensation after the Participant actually no longer is performing services for the Company). Compensation shall include elective deferrals and any amount which is contributed by the Company pursuant to a salary reduction agreement, which is not includible in the gross income of the Employee under Code Section 125, 402(e)(3), 402(h), 403(b) or 132(f). For all purposes hereunder, Compensation shall include a Differential Wage Payment, as defined below.

A Differential Wage Payment means a payment by an Employer to an individual who is performing service in the uniformed services (as defined in Chapter 43 of Title 38 of the United States Code) while on active duty for more than 30 days, which represents all or a portion of the wages the individual would have received if the individual were performing service for the Employer. An individual receiving a Differential Wage Payment shall be treated as an Employee of the Employer making the payment. The Plan shall not be treated as failing to meet the requirements of Section 401(a)(4), 401(a)(26), 401(k)(3), 401(k)(11), 401(k)(12), 401(m), 403(b)(12), 408(k)(3), 408(k)(6), 408(p), 410(b), or 416 by reason of any contribution or benefit which is based on the Differential Wage Payment, provided that all employees of the Employer and its affiliates (determined under Sections 414(b), (c), (m), and (o) of the Code) who are performing qualified military service are entitled to receive Differential Wage Payments and make contributions based on such payments on reasonably equivalent terms.

The annual Compensation of each Participant taken into account for all Plan purposes shall not exceed $255,000, as adjusted by the Secretary of the Treasury for increases in the cost of living in accordance with Section 401(a)(17)(B) of the Code. The cost-of-living adjustment in effect for a calendar year applies to any period, not exceeding twelve (12) months, over which Compensation is determined (the "determination period") beginning in such calendar year. If a determination period consists of fewer than twelve (12) months, the limit referred to above will be multiplied by a fraction, the numerator of which is the number of months in the determination period and the denominator of which is 12.

For other specific purposes described in the Plan, such as in Sections 1.2, 1.19, 1.23, 1.31, 3.11, 3.13, 9.3 and 9.7, “Compensation” shall have the meanings set forth in the respective sections in which the term is referenced.

1.19 Contribution Percentage. “Contribution Percentage” means the ratio (expressed as a percentage) of the Participant’s After-Tax Contributions, Matching Contributions, QNECs and QMACs (to the extent not taken into account for purposes of the Actual Deferral Percentage test) made under the Plan on behalf of the Participant for the Plan Year to the Participant’s Compensation for the Plan Year. Compensation, for purposes of this Section 1.19, shall mean compensation within the meaning of Section 414(s) of the Code for the Plan Year. For this purpose, Matching Contributions that are forfeited either to correct Excess Aggregate Contributions or because the contributions to which they relate are Excess Deferrals, Excess Contributions or Excess Aggregate Contributions shall not be included. The Employer may also elect to include Before-Tax Contributions, provided the Actual Deferral Percentage test is met before the Before-Tax Contributions are used in the Average Contribution Percentage and continues to be met following the exclusion of those Before-Tax Contributions that are used to meet the Average Contribution Percentage Test.

1.20 Disability. “Disability” means a physical or mental condition which entitles a Participant to benefits under the Employer’s long-term disability plan. The Administrator will apply the provisions of this Section 1.20 in a nondiscriminatory, consistent and uniform manner.

1.21 Effective Date. “Effective Date” means January 1, 2013, the date as of which this amendment and restatement of the Plan is effective except as otherwise specifically provided herein. The original Effective Date of the Plan was November 6, 1996.

1.22 Eligible Employee. “Eligible Employee” means any Employee maintained on the United States payroll of the Employer other than: (a) a leased employee within the meaning of Section 1.23, (b) any person who is included in a unit of employees covered by an agreement recognized for purposes of collective bargaining with the Employer, provided retirement benefits have been the subject of good faith bargaining and such bargaining does not provide for coverage under the Plan, (c) an Employee who is a nonresident alien deriving no earned income from the Employer which constitutes income from sources within the United States, and (d) any employee who resides and works in a United States territory (including, but not limited to, the Commonwealth of Puerto Rico). Notwithstanding clause (d), an Employee who is working outside of the 50 states on a temporary assignment will not be excluded from Plan participation on account of such temporary assignment.

Notwithstanding any other provision of the Plan, the term ‘Eligible Employee’ shall not include any employee, independent contractor, leased employee or other individual unless such individual is contemporaneously treated by the Employer as an Employee for purposes of the Plan (without regard to any subsequent recharacterization or inconsistent determination made by any person or entity or by any court, agency or other authority with respect to such individual whenever effective).

1.23 Employee. “Employee” means any person employed by the Employer, other than an independent contractor or self-employed individual within the meaning of Section 401(c)(1) or an owner-employee within the meaning of Section 401(c)(3). Employee shall also include any leased employee. The term ‘leased employee’ means any person (other than an employee of the recipient) who, pursuant to an agreement between the recipient and any other person (the ‘leasing organization’), has performed services for the recipient (or for the recipient and related persons determined in accordance with Section 414(n)(6) of the Code) on a substantially full-time basis for a period of at least one (1) year, and such services are performed under primary direction or control by the recipient. Contributions or benefits provided to a leased employee by the leasing organization which are attributable to services performed for the recipient employer shall be treated as provided by the recipient employer.

A leased employee shall not be considered an Employee if: leased employees do not constitute more than twenty percent (20%) of the recipient’s non-highly compensated workforce and the leased employee is covered by a money purchase pension plan providing (a) a nonintegrated employer contribution rate of at least ten percent (10%) of Compensation within the meaning of Section 415(c)(3) of the Code as defined in Section 3.11; (b) immediate participation; and (c) full and immediate vesting.

1.24 Employer. “Employer” means the Company and any subsidiary or affiliated organization of the Company that, with the approval of the Board of Directors and subject to such considerations as the Board of Directors may impose, adopts the Plan.

In determining Compensation for the purposes of determining who is a leased employee under Section 1.23, in determining who is a Highly Compensated Employee under Section 1.31, in determining a Participant’s Hours of Service, in determining whether an election to change the Limitation Year has been made in accordance with Section 1.33, in determining a Participant’s Period of Service under Section 1.39, in determining a Participant’s Severance Date under Section 1.50, in determining a Participant’s Severance from Employment under Section 1.51, in determining the limitation on Before-Tax Contributions under Section 3.1, in determining the Average Actual Deferral Percentages under Section 3.5 and the Average Contribution Percentages under Section 3.8, in determining the limitations on Annual Additions under Section 3.11, in determining the maximum loan in Section 7.5(f) and in determining whether the Plan is Top-Heavy under Article IX, the term “Employer” shall include any other corporation or other business entity that must be aggregated with the Employer under Section 414(b), (c), (m) or (o) of the Code, but only for such periods of time when the Employer and such other corporation or other business entity must be aggregated as aforesaid. For purposes of Section 3.11, such definition of "Employer" shall be modified by Section 415(h) of the Code.

1.25 Entry Date. "Entry Date" means each business day of the year.

1.26 ERISA. "ERISA" means the Employee Retirement Income Security Act of 1974, as now in effect or as hereafter amended.

1.27 Excess Aggregate Contributions. "Excess Aggregate Contributions" means After-Tax Contributions and Matching Contributions in excess of the Contribution Percentage limit, as described in Section 401(m)(6)(B) of the Code.

1.28 Excess Contributions. "Excess Contributions" means Before-Tax Contributions in excess of the Actual Deferral Percentage limit, as described in Section 401(k)(8)(B) of the Code.

1.29 Excess Deferrals. "Excess Deferrals" means Before-Tax Contributions in excess of the limits imposed by Section 402(g) of the Code.

1.30 Fund or Investment Fund. "Fund" or "Investment Fund" means the investment funds established under Article V, or any of them.

1.31 Highly Compensated Employee. "Highly Compensated Employee" means any Employee who performs services for the Employer during the determination year and who (a) was a five percent (5%) owner, as defined in Section 9.7(a), during the determination year or look-back year, or (b) during the look-back year received Compensation from the Employer in excess of $115,000, multiplied by the Adjustment Factor.

For purposes of this definition, the determination year is the Plan Year; the look-back year is the twelve (12) month period preceding the Plan Year.

A highly compensated former Employee shall be treated as a Highly Compensated Employee if he separated from service (or is deemed to have separated) prior to the determination year, performs no service for the Employer during the determination year and was a highly compensated active Employee for either the separation year or any determination year ending on or after the Employee's 55th birthday.

The determination of who is a Highly Compensated Employee, including the determination of the compensation that is considered, will be made in accordance with Section 414(q) of the Code and the Regulations thereunder. For purposes of this Section 1.31, Compensation means Compensation within the meaning of Section 415(c)(3) of the Code as defined in Section 3.11.

1.32 Hour of Service. "Hour of Service" means:

(a) Each hour for which an Employee is directly or indirectly paid or entitled to payment for the performance of duties for the Employer;

(b) Each hour for which an Employee is directly or indirectly paid or entitled to payment by the Employer on account of a period during which no duties are performed, whether or not the employment relationship has terminated, due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence, but not more than 501 such hours on account of any single continuous period during which no duties are performed; and

(c) Each hour for which back pay, irrespective of mitigation of damages, has been awarded or agreed to by the Employer.

No hours shall be credited on account of any period during which an Employee performs no duties and receives payment solely for the purpose of reimbursement for medical or medically related expenses incurred by the Employee for the purpose of complying with applicable worker's compensation, unemployment compensation or disability insurance laws.

Solely to the extent required by the Family and Medical Leave Act of 1993 (FMLA), an Employee shall be credited with Hours of Service while on a leave of absence protected under FMLA.

The same Hours of Service shall not be credited under more than one of the above clauses (a), (b) or (c); and each hour credited to an Employee under clause (a), (b) or (c) above shall be credited in accordance with Section 2530.200b-2(b) and (c) of the U.S. Department of Labor's Regulations, which hereby are incorporated by reference.

Hours of Service shall be credited for any individual considered an Employee under Section 414(n) or Section 414(o) of the Code and the related Regulations. Pursuant to Section 414(n)(4)(B) of the Code, Hours of Service shall be determined by taking into account any period for which an Employee would have been a leased employee as defined in Section 1.23 but for the fact that the Employee failed to perform services for the Employer on a substantially full-time basis for a period of at least one year.

1.33 Limitation Year. "Limitation Year" means the calendar year, unless otherwise selected by the Employer in a manner consistent with that described in Section 1.415(j)-1 of the Regulations.

1.34 Matching Contribution Account. "Matching Contribution Account" means the Account to which are credited any Matching Contributions made on behalf of the Participant and earnings or losses on those contributions.

1.35 Matching Contributions. "Matching Contributions" means the amounts contributed on behalf of a Participant pursuant to Section 3.2.

1.36 Non-highly Compensated Employee. "Non-highly Compensated Employee" means an Employee who is not a Highly Compensated Employee.

1.37 Normal Retirement Age. "Normal Retirement Age" means the date the Participant attains age 65 and either completes five Years of Service or reaches the fifth anniversary of the date the Participant commenced participation in the Plan. Notwithstanding the above, in the case of a Participant who was first hired by the Employer before January 1, 1994, Normal Retirement Age means the date the Participant attains age 65.

1.38 Participant. "Participant" means any Participant participating in the Plan as provided in Article II or any former Employee whose participation has not ceased pursuant to Section 2.5.

1.39 Period of Service. "Period of Service" means a period of employment with the Employer determined under the following rules:

(a) General Rule. An Employee's Period of Service begins on his Employment Commencement Date or Reemployment Commencement Date and ends on his Severance Date subject to the Service Spanning rules in Section 1.39(b).

(b) Service Spanning Rules. The Period of Service of an Employee who severs from service with the Employer by reason of retirement, quit or discharge, and who thereafter performs an Hour of Service within twelve months of his Severance Date shall include the intervening Period of Severance. The Period of Service of an Employee who severs from service by reason of retirement, quit or discharge occurring during an absence from service of twelve months or less which began for any reason other than retirement, quit or discharge, and who thereafter performs an Hour of Service within twelve months of the first day of such absence shall include the period intervening between his Severance Date and the date on which he again performs an Hour of Service.

(c) Employment or Reemployment Commencement Date. An Employee's Employment Commencement Date is the date on which an Employee is first credited with an Hour of Service. An Employee's Reemployment Commencement Date is the date on which an Employee who has incurred a Period of Severance that is not taken into account as a Period of Service first performs an Hour of Service following such Period of Severance.

1.40 Period of Severance. "Period of Severance" means any period commencing on an Employee's Severance Date except as provided in Section 1.50.

1.41 Plan. "Plan" means the Ingram Micro 401(k) Investment Savings Plan, as set forth herein and as amended from time to time.

1.42 Plan Year. "Plan Year" means the twelve (12) month period commencing on each January 1st on or after the Effective Date and ending on the next following December 31st.

1.43 QMAC. "QMAC" means a qualified matching contribution that (i) is made to the Plan pursuant to Section 3.8, and (ii) complies with the definition of qualified matching contribution set forth in Treasury Regulation Section 1.401(k)-6.

1.44 QMAC Account. "QMAC Account" means the Account to which are credited QMACs made on behalf of a Participant and earnings or losses on those contributions.

1.45 QNEC. "QNEC" means a qualified nonelective contribution that (i) is made to the Plan pursuant to Section 3.5, and (ii) complies with the definition of qualified nonelective contribution set forth in Treasury Regulation Section 1.401(k)-6.

1.46 QNEC Account. "QNEC Account" means the Account to which are credited QNECs made on behalf of a Participant and earnings or losses on those contributions.

1.47 Regulations. "Regulations" means the Treasury regulations issued under the Code or any other applicable law by the Internal Revenue Service and any proposed or temporary regulations or rules pending the issuance of such regulations.

1.48 Rollover Account. "Rollover Account" means the Participant's Account to which is credited any Rollover Contribution made by the Participant and earnings or losses on that contribution.

1.49 Rollover Contribution. "Rollover Contribution" means a contribution made by a Participant pursuant to Section 3.4.

1.50 Severance Date. "Severance Date" means the earlier of (a) the date on which an Employee separates from service with the Employer by reason of his retirement, death, quit or discharge or (b) the first anniversary of the date on which the Employee begins an absence from active employment for any reason other than his retirement, death, quit or discharge. Solely for purposes of determining the extent of an Employee's Period of Severance, the Severance Date of an Employee who is absent from work for more than twelve months due to the pregnancy of the Employee, the birth of a child of the Employee or the placement of a child with the Employee in connection with the adoption of the child by the Employee or for purposes of caring for that child immediately following the child's birth or placement, shall be deemed to be the second anniversary of the first day of such absence. The period between the first and second anniversaries of the first day of such absence (or between the first anniversary and the date of the Employee's return to active employment if he returns before the second anniversary) shall be neither a Period of Service nor a Period of Severance.

1.51 Severance from Employment. "Severance from Employment" means the termination of the Employee's employment relationship with the Employer.

1.52 Spouse. "Spouse" means the person to whom a Participant is legally married on the earlier of (a) the date on which the Participant's Account balances are distributed due to the Participant's Severance from Employment, or (b) the Participant's date of death.

1.53 Trust Agreement. "Trust Agreement" means the agreement entered into between the Company and the Trustee to carry out the purposes of the Plan.

1.54 Trust Fund. "Trust Fund" means the assets of the Plan held in trust by the Trustee in accordance with the Trust Agreement.

1.55 Trustee. "Trustee" means the trustee or trustees by whom the assets of the Plan are held in accordance with the Trust Agreement.

1.56 Valuation Date. "Valuation Date" means any business day on which the New York Stock Exchange is open for and conducting business, or any more frequent date designated by the Administrator or the Trustee.

1.57 Year of Service. "Year of Service" means a Period of Service of 365 days, with less than whole year Periods of Service aggregated on the basis of days. A Participant shall receive a credit for a day of service for each day for which he is credited with an Hour of Service. A day of service counted in one Year of Service shall not be included in another Year of Service.

Wherever used herein, the singular includes the plural and the masculine includes the feminine, unless the context clearly requires otherwise.

ARTICLE II

ELIGIBILITY AND PARTICIPATION

2.1 Eligibility

(a) Each Eligible Employee who was a Participant in the Plan on December 31, 2012 shall continue to participate on the Effective Date.

(b) Each other Eligible Employee shall be eligible to become a Participant on any Entry Date on or after the date on which he is first credited with an Hour of Service.

(c) Notwithstanding the above, individuals who become Eligible Employees in connection with an acquisition of stock or assets of a trade or business, a merger, or a similar transaction, shall be eligible to become Participants as soon as administratively feasible following their Entry Dates. The Administrator shall determine such administratively feasible dates, provided that no such date shall be later than six months following the Entry Date of the affected Eligible Employees.

2.2 Beneficiary Designation

Each Participant may file a designation in accordance with procedures established by the Administrator naming as Beneficiary a person, persons or entity to receive benefits payable upon his death. A Participant may at any time revoke or change his Beneficiary designation by filing a new designation in accordance with procedures established by the Administrator. Any Beneficiary designation or revocation or change thereof naming as primary Beneficiary a person, persons or entity other than the Participant's Spouse must be made with the written consent of the Participant's Spouse acknowledging the effect of such designation, revocation or change and witnessed by a notary public. Written consent of the Participant's Spouse shall not be required if it is established in accordance with procedures established by the Administrator and applied on a uniform and nondiscriminatory basis that there is no Spouse, the Spouse cannot be located or under other circumstances as may be prescribed in Regulations. If the Participant is unmarried and fails to designate a Beneficiary or the Beneficiary does not survive the Participant, the benefits payable upon the death of the Participant will be paid to the Participant's estate.

2.3 Eligibility Upon Reemployment

Any person reemployed by an Employer as an Eligible Employee shall again be eligible to become a Participant as of his date of rehire.

2.4 Transferred Employees

(a) A Participant who remains in the employ of the Employer but ceases to be an Eligible Employee shall continue to be a Participant and shall be credited with Hours of Service, but he shall not be eligible to have Before-Tax Contributions, After-Tax Contributions, Catch-up Contributions or Employer contributions made on his behalf for as long as his employment status is other than that of an Eligible Employee. Any Compensation of such a Participant while he has an employment status other than that of an Eligible Employee shall be disregarded for all Plan purposes.

(b) If an Employee transfers from an employment status with an Employer other than as an Eligible Employee and thereby becomes an Eligible Employee, he shall be eligible to become a Participant and have Before-Tax, After-Tax Contributions, Catch-up Contributions and Employer contributions made on his behalf as of the next following Entry Date.

2.5 Termination of Participation

A Participant's participation shall cease upon distribution to him of his entire vested Account or upon his death prior to such distribution.

ARTICLE III

CONTRIBUTIONS AND ALLOCATIONS

3.1 Employee Contributions

An Eligible Employee who meets the requirements of Section 2.1 may make Before-Tax Contributions and/or After-Tax Contributions in accordance with the respective provisions of this Section 3.1.

(a) Before-Tax Contributions

(1) An Eligible Employee who meets the requirements of Section 2.1 may, by advance notice in accordance with procedures prescribed by the Administrator, elect to have his subsequent Compensation reduced by means of payroll reduction as of any Entry Date and to have an equal amount contributed to the Plan on his behalf as Before-Tax Contributions. The reduction shall commence effective with the first payroll period that begins as soon as administratively practicable thereafter.

(2) An Eligible Employee who is not a Highly Compensated Employee may elect to make Before-Tax Contributions of up to fifty percent (50%) of his Compensation, in one percent (1%) increments, reduced by the amount of any After-Tax Contributions made on his behalf pursuant to Section 3.1(b).

(3) An Eligible Employee who is a Highly Compensated Employee may elect to make Before-Tax Contributions of up to the whole percentage of his Compensation designated as permissible by the Administrator, reduced by the amount of any After-Tax Contributions made on his behalf pursuant to Section 3.1(b). In no event shall the percentage so designated by the Administrator exceed the maximum percentage of Compensation that an Eligible Employee who is not a Highly Compensated Employee may elect to contribute for such Plan Year.

(4) In no event will the Before-Tax Contributions made on behalf of a Participant exceed the dollar limit in effect under Section 402(g) of the Code, reduced by the amount of the Participant’s other Before-Tax Contributions made through the Employer for the calendar year.

(5) The percentage of contributions designated by a Participant pursuant to Section 3.1(a) shall automatically apply to increases and decreases in his Compensation. A Participant may, in accordance with applicable administrative procedures, change the percentage of his Compensation to be contributed to the Plan as Before-Tax Contributions as of any Entry Date. The change shall commence effective with the first payroll period that begins as soon as administratively practicable thereafter. The changed percentage shall remain in effect until

subsequently changed. Notwithstanding the above, the election change procedures adopted by the Administrator may include an annual increase or similar program which permits Participants to increase their contribution elections by predetermined percentage points on predetermined dates.

(6) A Participant may, by giving advance notice in accordance with applicable administrative procedures, elect to suspend his Before-Tax Contributions at any time. The suspension shall commence effective with the next payroll period that begins as soon as administratively practicable thereafter. A Participant who has suspended his Before-Tax Contributions may, by giving advance notice in accordance with applicable administrative procedures, elect to resume making Before-Tax Contributions as of any Entry Date thereafter. The resumption shall commence effective with the first payroll period that begins as soon as administratively practicable thereafter.

(7) A Before-Tax Contribution may be taken into account for purposes of determining the Actual Deferral Percentage only if each of the following requirements is satisfied: (1) the Before-Tax Contribution is allocated to the Participant's Account as of a date within the Plan Year; and (2) the Before-Tax Contribution relates to Compensation that either (i) would have been received by the Participant in the Plan Year but for the Participant's election to defer, or (ii) is attributable to services performed by the Participant in the Plan Year and, but for the Participant's election to defer, would have been received by the Participant within two and one-half months after the close of the Plan Year. For purposes of (1), a Before-Tax Contribution is considered allocated as of a date within a Plan Year only if (i) the allocation is not contingent upon the Participant's participation in the Plan or performance of services on any date subsequent to that date, and (ii) the Before-Tax Contribution is actually paid to the Trust no later than the end of the twelve month period immediately following the Plan Year to which the Before-Tax Contribution relates.

(8) If Before-Tax Contributions are returned to the Employer under Section 3.12, the elections to reduce Compensation that were made by Participants on whose behalf those contributions were made shall be void retroactively to the beginning of the period for which returned contributions were made.

(9) Except for occasional, bona fide administrative considerations, Before-Tax or Catch-Up Contributions made pursuant to a cash or deferred election by an Eligible Employee cannot precede the earlier of (1) the performance of services relating to the contribution or (2) the date the Compensation that is subject to the election would be currently available to the Eligible Employee in the absence of an election to defer.

(b) After-Tax Contributions

(1) An Eligible Employee who meets the requirements of Section 2.1 may, by advance notice in accordance with procedures prescribed by the Administrator, elect to contribute After-Tax Contributions to the Plan by means of payroll deduction as of any Entry Date.

(2) An Eligible Employee who is not a Highly Compensated Employee may elect to make After-Tax Contributions of up to fifty percent (50%) of his Compensation, in one percent (1%) increments, reduced by the amount of any Before-Tax Contributions made on his behalf pursuant to Section 3.1(a).

(3) An Eligible Employee who is a Highly Compensated Employee may elect to make After-Tax Contributions of up to the whole percentage of his Compensation designated as permissible by the Administrator, reduced by the amount of any Before-Tax Contributions made on his behalf pursuant to Section 3.1(a). In no event shall the percentage so designated by the Administrator exceed the maximum percentage of Compensation that an Eligible Employee who is not a Highly Compensated Employee may elect to contribute for such Plan Year.

3.2 Employer Contributions

The Employer may make a Matching Contribution for each Participant who makes Before-Tax Contributions and/or After-Tax Contributions for the payroll period equal to fifty percent (50%) of the Participant’s Before-Tax Contributions and/or After-Tax Contributions for the payroll period not exceeding five percent (5%) of the Participant’s Compensation for the payroll period. Matching Contributions shall not be made on account of Catch-Up Contributions.

For purposes of determining the Matching Contribution, if any, for a Plan Year, any amounts paid under the Annual Incentive Award Program and the Long-Term Executive Cash Incentive Award Program shall be excluded from Compensation.

The Employer shall determine, in its absolute discretion, whether Matching Contributions shall be made for any particular period of time. The Employer is not required to contribute Matching Contributions for any period of time.

Notwithstanding the foregoing, the Employer may discontinue Matching Contributions for Participants who are Highly Compensated Employees if it is determined that continuation of such contributions in accordance with this Section 3.2 might cause the Plan to exceed the limitations of Section 401(m) of the Code and Section 3.8 of the Plan. The Employer, in its discretion, may make additional Matching Contributions with respect to Participants who are Non-highly Compensated Employees in the event such contributions are necessary to pass the Actual Contribution Percentage Test in Section 3.8.

3.3 Catch-Up Contributions

Each Participant who has attained age 50 before the close of the Plan Year shall be eligible to make Catch-Up Contributions of up to twenty-five (25%) of Compensation in accordance with, and subject to, the limitations of Section 414(v) of the Code. Such Catch-Up Contributions shall not be taken into account for purposes of the provisions of the Plan implementing the required limitations of Sections 402(g) and 415 of the Code. The Plan shall not be treated as failing to satisfy the provisions of the Plan implementing the requirements of Section 401(k)(3), 401(k)(11), 401(k)(12), 410(b), or 416 of the Code, as applicable, by reason of making such Catch-Up Contributions.

3.4 Rollover Contributions

(a) An Eligible Employee may, by notice received by the Administrator and under such terms and conditions as the Administrator shall determine, make a Rollover Contribution to the Plan and Trust Fund. The Administrator may require the individual to submit such evidence and documentation as the Administrator determines necessary to be assured that the proposed contribution qualifies as a Rollover Contribution.

A Rollover Contribution is (1) a distribution of an "eligible rollover distribution" (as defined in Section 402(c)(4) of the Code) from a qualified plan described in Section 401(a) or 403(a) of the Code, an annuity contract described in Section 403(b) of the Code or an eligible plan under Section 457(b) of the Code which is maintained by a state political subdivision of a state, or an agency or instrumentality of a state or political subdivision of a state, (2) a distribution from an individual retirement account or individual retirement annuity described in Section 408 of the Code that is eligible to be rolled over and would otherwise be includible as gross income, or (3) a direct rollover of an eligible rollover distribution from (i) a qualified plan described in Section 401(a) or 403(a) of the Code excluding after-tax employee contributions, (ii) an annuity contract described in Section 403(b) of the Code excluding after-tax employee contributions, or (iii) an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or an agency or instrumentality of a state of political subdivision of a State. Section 402(c)(9) shall apply in determining whether a distribution is a Rollover Contribution for purposes of Section 3.4.

(b) A distribution described in (a)(1) or (2) above must be received by the Trust Fund on or before the 60th day following the Employee's receipt of the distribution from the distributing plan or contract.

(c) The amount received pursuant to this Section 3.4 shall be transferred to the Trust Fund and credited to a separate Rollover Contribution Account maintained by the Administrator for the Employee in accordance with Article IV herein.

3.5 Actual Deferral Percentage Test

(a) For the Plan Year, the Average Actual Deferral Percentage for the group of all Highly Compensated Employees who are Eligible Employees must satisfy at least one of the following tests:

(1) The Average Actual Deferral Percentage for said group of Highly Compensated Employees for that Plan Year shall not be more than the Average Actual Deferral Percentage for the group of Non-highly Compensated Employees who were Eligible Employees for the same Plan Year multiplied by 1.25; or

(2) The Average Actual Deferral Percentage for said group of Highly Compensated Employees for that Plan Year shall not exceed two (2) percentage points more than the Average Actual Deferral Percentage for the group of Non-highly Compensated Employees who were Eligible Employees for the same Plan Year, and the Average Actual Deferral Percentage for said group of Highly Compensated Employees for that Plan Year shall not be more than the Average Actual Deferral Percentage for the group of Non-highly Compensated Employees who were Eligible Employees for the same Plan Year multiplied by 2.

(b) If Before-Tax Contributions are made to the Plan for a Plan Year for a Highly Compensated Employee who is eligible to have salary reduction contributions allocated to his account under another plan maintained by the Employer that provides a cash or deferred arrangement described in Section 401(k) of the Code, the Actual Deferral Percentage of that Highly Compensated Employee shall be calculated as if all such other plans are part of the Plan. If a Highly Compensated Employee participates in two (2) or more cash or deferred arrangements that are part of plans that have different plan years, all Before-Tax Contributions made during the Plan Year being tested shall be aggregated, without regard to the plan years of the other plans. Notwithstanding the foregoing, certain plans shall be treated as separate if mandatorily disaggregated under Regulation Section 1.401(k)-1(b)(4).

(c) If the Plan satisfies the requirements of Section 401(k), 401(a)(4) or 410(b) of the Code only if aggregated with one or more other plans, or if one or more plans satisfy the requirements of such sections of the Code only if aggregated with the Plan, this Section 3.5 shall be applied by determining the Actual Deferral Percentages of Employees as if all such plans were a single plan. However, plans may be aggregated in order to satisfy Section 401(k) of the Code only if they have the same plan year.

(d) For the purposes of satisfying the requirements of Section 401(k), 401(a)(4) or 410(b) of the Code, the Plan may be disaggregated into two or more plans or the Plan may be aggregated with one or more other plans, to the extent permitted by Sections 401(k), 401(a)(4) and 410(b) of the Code and the Regulations thereunder.

(e) For purposes of determining the Actual Deferral Percentage, Before-Tax Contributions must be made before the last day of the twelve (12) consecutive month period immediately following the Plan Year to which those contributions relate.

(f) To enable the Plan to satisfy the test described in Section 3.5(a), the Employer may elect to make a QNEC to the Plan for each Plan Year in an amount, if any, that the Employer, in its sole discretion, determines. All QNECs will be one hundred percent (100%) vested and subject to the distribution requirements applicable to Before-Tax Contributions as described in Section 401(k)-1(d) of the Treasury Regulations. QNECs will be allocated to the Participant's QNEC Account as of the end of the Plan Year with respect to which the QNEC is made. QNECs will be paid to the Trustee after such contribution is authorized by the Employer but no later than twelve (12) months after the end of the Plan Year in which such contribution is allocated.

(g) Notwithstanding the above, a QNEC cannot be taken into account in determining the Actual Deferral Percentage of an Eligible Employee who is a Non-highly Compensated Employee for the Plan Year to the extent that the QNEC exceeds the product of the Eligible Employee's Compensation and the greater of five percent (5%) or two (2) times the Plan's "representative contribution rate." Any QNEC taken into account under an actual contribution percentage test under Regulation Section 1.401(m)-2(a)(6) (including the determination of the representative contribution rate for purposes of Regulation Section 1.401(m)-2(a)(6)(v)(B)) is not permitted to be taken into account for purposes of Section 3.5 including the determination of the "representative contribution rate" for purposes of subsection (1) below. For purposes of this Section:

(1) The Plan's "representative contribution rate" is the lowest "applicable contribution rate" of any Eligible Employee who is a Non-highly Compensated Employee among a group of eligible Non-highly Compensated Employees that consists of half of all eligible Non-highly Compensated Employees for the Plan Year (or, if greater, the lowest "applicable contribution rate" of any Non-highly Compensated Employee who is an Eligible Employee or who is in the group of all Eligible Employees who are Non-highly Compensated Employees for the Plan Year and who is employed by the Employer on the last day of the Plan Year), and

(2) The "applicable contribution rate" for a Non-highly Compensated Employee who is an Eligible Employee is the sum of the QMACs taken into account in determining the Actual Deferral Percentage for the Eligible Employee for the Plan Year and the QNECs for the Eligible Employee for the Plan Year, divided by the Eligible Employee's Compensation for the same period.

A QMAC may only be used to calculate an Actual Deferral Percentage to the extent that such QMAC is a matching contribution that is not precluded from being taken into account under Section 3.8 of the Plan for the Plan Year under the rules of Regulation Section 1.401(m)-2(a)(5)(ii).

(h) Notwithstanding the above, QNECs and QMACs cannot be taken into account to determine an Actual Deferral Percentage to the extent such contributions are taken into account for purposes of satisfying any other actual deferral percentage test, actual contribution percentage test, or the requirements of Regulation Section 1.401(k)-3, 1.401(m)-3, or 1.401(k)-4.

3.6 Reductions During Plan Year

If, during the Plan Year, the Administrator determines that the Actual Deferral Percentage test provided in Section 3.5 is not met at the time of its review or would not be met if part or all of Before-Tax Contributions continue to be made on behalf of Participants who are Highly Compensated Employees, the Administrator, in its sole discretion, may reduce the rate (to zero (0) if necessary) of Before-Tax Contributions that would have been made during the remainder of the Plan Year. The Administrator may, in its sole and absolute discretion, limit or discontinue the Before-Tax Contributions of Highly Compensated Employees to comply with the contribution limits set forth herein.

3.7 Return or Recharacterization of Excess Contributions After End of Plan Year

(a) If, after the last day of the Plan Year, the Administrator determines that the Average Actual Deferral Percentage requirements of Section 3.5 have not been satisfied, the Administrator, within two and one-half (2½) months after the end of the Plan Year (but not later than the last day of the next Plan Year), shall distribute the Excess Contributions, adjusted for any income or loss, to all affected Participants who are Highly Compensated Employees. The Administrator shall calculate any Excess Contributions after determining the amount of Excess Deferrals pursuant to Section 3.10. The amount of Excess Contributions to be distributed shall be reduced by any Excess Deferrals previously distributed to the Participant for the tax year ending with or within the Plan Year. The amount of Excess Deferrals to be distributed for a tax year shall be reduced by any Excess Contributions previously distributed for the Plan Year beginning with or within the Participant’s tax year.

(b) Distributions of Excess Contributions must be adjusted for the income (gain or loss) allocable to the Excess Contributions for the Plan Year for which such Excess Contributions were made, and shall not include any gain or loss after such Plan Year. The Administrator has the discretion to determine and allocate income using any of the methods set forth below:

(1) The 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 Participant Accounts.

(2) The Administrator may allocate income to Excess Contributions for the Plan Year by multiplying the income for the Plan Year allocable to the Before-Tax Contributions

and other amounts taken into account under Section 3.5 of the Plan, by a fraction, the numerator of which is the Excess Contributions for the Participant for the Plan Year, and the denominator of which is the sum of the:

(A) The Account balance attributable to Before-Tax Contributions and other amounts taken into account under Section 3.5 of the Plan as of the beginning of the Plan Year, and

(B) Any additional amount of such contributions made for the Plan Year.

(c) The amount of Excess Contributions for Highly Compensated Employees shall be determined as provided in this paragraph. First, the Actual Deferral Percentage of the Highly Compensated Employee with the highest such Percentage will be reduced to the extent necessary to satisfy the Actual Deferral Percentage test or cause the percentage for that Highly Compensated Employee to equal the percentage for the Highly Compensated Employee with the next highest such Percentage. Second, this process will be repeated until the Actual Deferral Percentage test is satisfied. The total of such Excess Contributions shall then be distributed to Highly Compensated Employees in descending order commencing with the Highly Compensated Employee with the highest dollar amount of Before-Tax Contributions and other contributions to be distributed in order to satisfy the Actual Deferral Percentage test, consistent with the provisions of Notice 97-2 issued by the Internal Revenue Service.

(d) Excess Contributions distributed to Participants in accordance with this Section 3.7 shall be distributed in the following order: (1) from the Participant’s Before-Tax Contribution Account, to the extent such Contributions are not subject to Matching Contributions, and (2) from the Participant’s Before-Tax Contribution Account, to the extent such contributions are subject to Matching Contributions. If Excess Contributions are distributed to Participants in accordance with this Section 3.7, the Participant shall immediately forfeit all Matching Contributions that were made to match such distributed Excess Contributions.

(e) For purposes of this Section 3.7, Excess Contributions means Before-Tax Contributions in excess of the Actual Deferral Percentage limit as described in Section 401(k)(8)(B) of the Code.

(f) A Participant may elect to treat his or her Excess Contributions as an amount distributed to the Participant and then contributed by the Participant to the Plan as an After-Tax Contribution. Such recharacterized amounts will remain nonforfeitable and subject to the same distribution requirements as Before-Tax Contributions. Amounts may not be recharacterized by a Highly Compensated Employee to the extent that such amount in combination with other Participant contributions made by that Employee under all plans maintained by the Employer would exceed any stated limit under the Plan for Participant contributions. Excess Contributions may not be recharacterized under this paragraph any later than 2½ months after the last day of the Plan Year in which the Excess Contributions arise. Recharacterization will be deemed to occur on the date the last Highly Compensated Employee is informed in writing of the amount to be recharacterized and the consequences thereof. Recharacterized amounts will be taxable to the Participant for the Participant's tax year in which the Participant would have received such amounts in cash.

3.8 Actual Contribution Percentage Test

(a) For the Plan Year, the Average Contribution Percentage for the group of all Highly Compensated Employees who are Eligible Employees must satisfy at least one of the following tests:

(1) The Average Contribution Percentage for said group of Highly Compensated Employees for that Plan Year shall not be more than the Average Contribution Percentage for the group of Non-highly Compensated Employees who were Eligible Employees for the same Plan Year multiplied by 1.25; or

(2) The Average Contribution Percentage for said group of Highly Compensated Employees for that Plan Year shall not exceed 2 percentage points more than the Average Contribution Percentage for the group of Non-highly Compensated Employees who were Eligible Employees for the same Plan Year, and the Average Contribution Percentage for said group of Highly Compensated Employees for that Plan Year shall not be more than the Average Contribution Percentage for the group of Non-highly Compensated Employees who were Eligible Employees for the same Plan Year multiplied by 2.

(b) The Contribution Percentage for any Participant who is a Highly Compensated Employee and who is eligible to have matching contributions or after-tax contributions allocated to his account under two (2) or more plans described in Section 401(a) of the Code, or arrangements described in Section 401(k) of the Code that are maintained by the same Employer, shall be determined as if the total of such contributions was made under each plan and arrangement. If a Highly Compensated Employee participates in two (2) or more such plans or arrangements that have different plan years, all matching contributions and after-tax contributions made during the Plan Year being tested under all such plans and arrangements shall be aggregated, without regard to the plan years of the other plans. Notwithstanding the foregoing, certain plans shall be treated as separate if mandatorily disaggregated under Regulation Section 1.401(m)-1(b)(4).

(c) If the Plan satisfies the requirements of Sections 401(m), 401(a)(4) and 410(b) of the Code 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 the Plan, this Section shall be applied by determining the Contribution Percentages of Employees as if all such plans were a single plan. However, plans may be aggregated in order to satisfy Section 401(m) of the Code only if they have the same plan years.

(d) For the purposes of satisfying the requirements of Section 401(m), 401(a)(4) or 410(b) of the Code, the Plan may be disaggregated into two or more plans or the Plan may be aggregated with one or more other plans, to the extent permitted by Sections 401(m), 401(a)(4) and 410(b) of the Code and the Regulations thereunder.

(e) For purposes of determining the Contribution Percentage, (i) After-Tax Contributions are considered to have been made in the Plan Year as of which they are contributed to the Trust Fund and (ii) Matching Contributions will be considered made for a Plan Year if made before the last day of the twelve (12) consecutive month period immediately following the Plan Year to which those contributions relate.

(f) To enable the Plan to satisfy the test described in Section 3.8(a), the Employer may elect to make a QMAC to the Plan for each Plan Year in an amount, if any, as determined by the Employer in its sole discretion. All QMACs made pursuant to this Section 3.8(f) will be one hundred percent (100%) vested and subject to the distribution requirements applicable to Before-Tax Contributions as described in Section 1.401(k)-1(d) of the Treasury Regulations. QMACs will be allocated to the Participant's QMAC Account as of the end of the Plan Year with respect to which the QMAC is made. QMACs will be paid to the Trustee after such contribution is authorized by the Employer, but no later than twelve (12) months after the end of the Plan Year in which such contribution is allocated.

(g) Notwithstanding the above, a Matching Contribution for a Plan Year cannot be taken into account under Section 3.8 of the Plan for any Eligible Employee who is a Non-highly Compensated Employee to the extent it exceeds the greatest of:

(1) Five percent (5%) of the Eligible Employee's Compensation for the Plan Year;

(2) The sum of the Eligible Employee's Before-Tax Contributions and After-Tax Contributions for the Plan Year; and

(3) The product of two (2) times the Plan's "representative matching rate" and the Eligible Employee's total Before-Tax Contributions and After-Tax Contributions for the Plan Year.

The Plan's "representative matching rate" is the lowest "matching rate" for any Eligible Employee who is a Non-highly Compensated Employee among a group of Eligible Employees who are Non-highly Compensated Employees that consists of half of all Eligible Employees who are Non-highly Compensated Employees for the Plan Year who make Before-Tax

Contributions and/or After-Tax Contributions (or, if greater, the lowest "matching rate" for all Eligible Employees who are Non-highly Compensated Employees, who are employed by the Employer on the last day of the Plan Year, and who make Before-Tax Contributions and/or After-Tax Contributions for the Plan Year).

The "matching rate" for an Employee generally is the amount of Matching Contributions made for such Employee divided by the sum of the Employee's Before-Tax Contributions and After-Tax Contributions for the Plan Year. If the matching rate is not the same for all levels of Before-Tax Contributions and After-Tax Contributions made by an Employee, the Employee's "matching rate" is determined assuming that an Employee's Before-Tax Contributions and After-Tax Contributions equal six percent (6%) of Compensation.

(h) QNECs cannot be taken into account under Section 3.8 of the Plan for a Plan Year for any Eligible Employee who is a Non-highly Compensated Employee to the extent such contributions exceed the product of that Employee's Compensation and the greater of five percent (5%) or two (2) times the Plan's "representative contribution rate." Any QNEC taken into account under Section 3.5 of the Plan (including the determination of the "representative contribution rate" for purposes of Regulation Section 1.401(k)-2(a)(6)(iv)(B)) is not permitted to be taken into account for purposes of this Section, including the determination of the "representative contribution rate" for purposes of subsection (1) below. For purposes of this Section:

(1) The Plan's "representative contribution rate" is the lowest "applicable contribution rate" of any Eligible Employee who is a Non-highly Compensated Employee among a group of eligible Non-highly Compensated Employees that consists of half of all eligible Non-highly Compensated Employees for the Plan Year (or, if greater, the lowest "applicable contribution rate" of any eligible Non-highly Compensated Employee who is in the group of all Eligible Non-highly Compensated Employees for the Plan Year and who is employed by the Employer on the last day of the Plan Year), and

(2) The "applicable contribution rate" for any Eligible Employee who is a Non-highly Compensated Employee is the sum of the matching contributions (as defined in Regulation Section 1.401(m)-1(a)(2)) taken into account in determining the Contribution Percentage for the eligible Non-highly Compensated Employee for the Plan Year and the QNECs made for that Employee for the Plan Year, divided by the Employee's Compensation for the Plan Year.

3.9 Return of Excess Aggregate Contributions

(a) If, after the last day of the Plan Year, the Administrator determines that the Average Contribution Percentage requirements of Section 3.8 have not been satisfied, the Administrator, within two and one-half (2½) months after the end of the Plan Year (but not later than the last day of the next Plan Year), shall first cause to be forfeited, if forfeitable, or if not forfeitable, distribute the Excess Aggregate Contributions, adjusted for any income or loss, to all affected Participants who are Highly Compensated Employees. The Administrator shall calculate any Excess Aggregate Contributions after determining the amount of Excess Deferrals pursuant to Section 3.10 and the amount of Excess Contributions pursuant to Section 3.7.

(b) Distributions of Excess Aggregate Contributions must be adjusted for the income (gain or loss) allocable to the Excess Aggregate Contributions for the Plan Year for which such Excess Aggregate Contributions were made, and shall not include any gain or loss after such Plan Year. "Income" shall be determined and allocated in accordance with the provisions of Section 3.7(b), except that such Section shall be applied by replacing "Excess Contributions" with "Excess Aggregate Contributions" and by replacing amounts taken into account under Section 3.8(a) of the Plan for amounts taken into account under Section 3.5(a) of the Plan.

(c) The amount of Excess Aggregate Contributions for Highly Compensated Employees shall be determined as provided in this Section 3.9. First, the Contribution Percentage of the Highly Compensated Employee with the highest such Percentage will be reduced to the extent necessary to satisfy the Contribution Percentage test or cause the percentage for that Highly Compensated Employee to equal the percentage for the Highly Compensated Employee with the next highest such Percentage. Second, this process will be repeated until the Contribution Percentage test is satisfied. The total of such Excess Aggregate Contributions to be distributed shall then be distributed to Highly Compensated Employees in descending order commencing with the Highly Compensated Employee with the highest dollar amount of Excess Aggregate Contributions and other contributions to be distributed in order to satisfy the Contribution Percentage test, consistent with the provisions of Notice 97-2 issued by the Internal Revenue Service.

(d) Excess Aggregate Contributions forfeited in accordance with this Section 3.9 shall be treated as Annual Additions under Section 3.11 and shall be applied to reduce subsequent Matching Contributions.

(e) Excess Aggregate Contributions distributed to Participants in accordance with this Section 3.9 shall be distributed in the following order: (1) from the Participant's After-Tax Contribution Account, and (2) from the Participant's Matching Contribution Account.

3.10 Distribution of Excess Deferrals

(a) A Participant may state a claim for the return of Excess Deferrals and such Excess Deferrals, adjusted for any income or loss, shall be distributed if administratively practicable no later than the April 15th following the calendar year for which such allocable Excess Deferrals are made. The Participant's claim shall be made in accordance with procedures established by the Administrator, shall be submitted to the Administrator no later than March 1st (or as late as April 14 if allowed by the Administrator), shall specify the Participant's Excess Deferrals for the preceding calendar year, and shall be accompanied by the Participant's statement that such amounts, if not distributed, will constitute Excess Deferrals.

(b) The income or loss allocable to Excess Deferrals for the Plan Year shall be determined by multiplying the income or loss allocable to the Participant's Before-Tax Contributions for the Plan Year by a fraction, the numerator of which is the Excess Deferrals on behalf of the Participant for the Plan Year and the denominator of which is the Participant's Account attributable to Before-Tax Contributions on the last day of the Plan Year, without regard to any income or loss during the Plan Year. No income or loss shall be attributable to the period between the end of the Plan Year and the date of the distribution.

(c) If Excess Deferrals have previously been distributed within the Plan Year, the Plan shall offset such distribution from the amount of the Participant's Excess Contributions, if any, to be distributed for such Plan Year. In addition, the amount of Excess Deferrals that may be distributed for a Participant by the Plan for a Plan Year shall be reduced by the amount of Excess Contributions previously distributed.

(d) Excess Deferrals are Before-Tax Contributions in excess of the limit imposed by Section 402(g) of the Code.

(e) Excess Deferrals shall be taken first from unmatched Before-Tax Contributions and then from matched Before-Tax Contributions. Any Matching Contributions attributable to refunded Excess Deferrals, adjusted for investment gain or loss, shall be forfeited and used in the manner described in Section 6.3.

3.11 Maximum Annual Additions

(a) Notwithstanding anything to the contrary contained in this Plan, the total Annual Additions made on behalf of a Participant for any year will not exceed the limits imposed by Section 415 of the Code, as such limits may be adjusted from time to time. If Annual Additions on behalf of a Participant are allocated under this Plan and under another defined contribution plan, Annual Additions that must be restricted to comply with Section 415 of the Code shall first be restricted under the other plan. For purposes of this Plan, all provisions of Code Section 415 are hereby incorporated by reference.

(b) Except to the extent permitted under Section 3.3 of the Plan and Section 414(v) of the Code (regarding catch-up contributions), the Annual Additions that may be contributed or allocated to a Participant's Account under the Plan for any Limitation Year shall not exceed the lesser of: (i) $40,000, as adjusted for increases in the cost-of-living under Section 415(d) of the Code, or (ii) 100 percent of the Participant's Compensation, within the meaning of Section 415(c)(3) of the Code, for the Limitation Year.

The compensation limitation expressed as a percentage in clause (ii) of the preceding paragraph shall not apply to an individual medical benefit account within the meaning of Section 415(1) of the Code or a post-retirement medical benefits account for a key employee within the meaning of Section 419A(d)(1) of the Code.

(c) For purposes of this Section 3.11, "Annual Addition" means the amount allocated to a Participant's Account during the Limitation Year that constitutes: Employer contributions; and Employee contributions; and forfeitures; and amounts described in Sections 415(l)(2) (medical accounts in pension or annuity plan), 419A(d)(3) (post-retirement medical benefits), or 419(e) (welfare benefit fund) of the Code.

(1) Contributions do not fail to be Annual Additions merely because they are Excess Contributions (as defined in Section 1.28 of the Plan) or Excess Aggregate Contributions (as defined in Section 1.27 of the Plan), or merely because such Excess Contributions or Excess Aggregate Contributions are corrected through distribution. Mandatory employee contributions to a defined benefit plan are treated as contributions to a defined contribution plan. Annual Additions provided to an alternate payee (as defined in Code Section 414(p)(8)) of a Participant pursuant to a qualified domestic relations order (as defined in Code Section 414(p)(1)(A)) are treated as if they were provided to the Participant for purposes of applying the limitations of Code Section 415.

(2) For the purpose of determining Annual Additions, Employee contributions shall not include any rollover contributions (as defined in Section 402(c), 403(a)(4), or 403(b)(8) of the Code), or any Employee contributions to a simplified employee pension allowable as a deduction under Section 219(a) of the Code. Annual Additions do not include the restoration of an Employee's Account balance resulting from the Employee's repayment of a prior distribution in accordance with Section 6.4(c) of the Plan. Annual Additions do not include repayments on Participant loans, or Excess Deferrals that are distributed in accordance with Section 3.10 of the Plan.

(d) For purposes of Code Section 415, all defined contribution plans ever maintained by the Employer or a predecessor employer, whether terminated or not, under which the Participant receives Annual Additions shall be treated as a single plan.

(e) In the event an Employer is a member of a group of employers which constitutes either a controlled group of corporations, as defined at Section 414(b) of the Code (as modified by Section 415(h) of the Code), a group of trades or businesses (whether or not incorporated) under common control as defined at Section 414(c) of the Code (as modified by Section 415(h) of the Code), an affiliated service group as defined at Section 414(m) of the Code, or any other entity required to be aggregated with the Employer pursuant to Section 414(o) of said Code, all such Employers shall be considered a single Employer for purposes of applying the limitations under Section 415 of said Code, as set forth in this Section 3.11. Furthermore, contributions made for a Participant are aggregated to the extent applicable under Section 414(n) of the Code.

(f) In the event the limitation on Annual Additions established under this Section 3.11 is exceeded for any Limitation Year, any correction method permitted by the Employee Plans Compliance Resolution System published by the Internal Revenue Service may be utilized. As of the date this Amendment is adopted, such a correction shall be administered as follows:

(1) The Plan shall distribute to the Participant a refund of After-Tax Contributions (and, to the extent required by the Code, gains attributable to those After-Tax Contributions), to the extent that the distribution would reduce the excess amounts in the Participant's Account. These distributed amounts are disregarded for purposes of the actual contribution percentage test of Code Section 401(m)(2), and the actual deferral percentage test of Code Section 401(k)(3);

(2) The Plan shall distribute to the Participant Elective Deferrals, and gains attributable to those Elective Deferrals, to the extent that the distribution would reduce the excess amounts in the Participant's Account. These distributed amounts are treated as Excess Elective Deferrals pursuant to Section 3.10 herein, and are disregarded for purposes of Code Section 402(g), the actual deferral percentage test of Code Section 401(k)(3), and the actual contribution percentage test of Code Section 401(m)(2);

(3) If, after the distributions provided in subparagraphs (1) and (2) are made, a Participant still has excess Annual Additions in any Limitation Year, the excess amounts shall be taken from Matching Contributions in the Participant's Account and shall be held in an unallocated account to which investment gains or losses shall be credited. The funds in the unallocated account shall thereafter be allocated to the Accounts of the Participants in accordance with the provisions of Section 3.2 and no additional contributions shall be made by an Employer until all such funds held in such unallocated account have been allocated in full.

(g) For purposes of applying the limitations of Code Section 415, "Compensation" shall mean wages as defined in 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) and 6051(a)(3) of the Code (wages, tips and other compensation box on form W-2), determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401(a)(2)).

Notwithstanding the foregoing, Compensation for purposes of Section 415 of the Code shall include any amount that would be wages under the preceding paragraph but for an election under Section 125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b).

Compensation for purposes of this Section 3.11 of the Plan includes an amount that is excludable from the income of a Participant under Code Section 106 that is not available to the Participant in cash in lieu of group health coverage under a Code Section 125 arrangement solely because the Participant is unable to certify that the Participant has other health coverage. Such an amount will be treated as Compensation only if the Employer does not request or collect information regarding the Participant's other health coverage as part of the enrollment process for the health plan.

(h) Compensation for purposes of Section 415 of the Code means Compensation as defined in Section 3.11(g), which is paid during the Limitation Year and prior to severance from employment with the Employer unless provided otherwise below. For this purpose, amounts that are made available to an Employee (or, if earlier, includible in the gross income of the Employee) are treated as being paid to the Employee.

(1) Notwithstanding the above, Section 415 Compensation for a Limitation Year includes 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 (a) such amounts are paid during the first few weeks of the next Limitation Year, (b) such amounts are included on a uniform and consistent basis with respect to all similarly situated Employees, and (c) no Section 415 Compensation is included in more than one Limitation Year.

(2) Section 415 Compensation includes the following amounts paid after the Employee's severance from employment with the Employer, provided such amounts are paid by the later of 2½ months after severance from employment with the Employer or the end of the Limitation Year that includes the date of severance from employment with the Employer and are includible in the Employee's gross income:

(A) 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 that would have been paid to the Employee prior to a severance from employment if the Employee had continued in employment with the Employer;

(B) 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; and

(C) Payment 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.

(3) Any payment that is not described in paragraph (1) or (2), above, is not considered Section 415 Compensation if paid after severance from employment with the Employer, even if it is paid within the time period described in paragraph (2). Thus, Section 415 Compensation does not include severance pay, or parachute payments within the meaning of Code Section 280G(b)(2), if they are paid after severance from employment with the Employer, and does not include post-severance payments under a nonqualified unfunded deferred compensation plan unless the payments would have been paid at that time without regard to the severance from employment.

(i) If an Employer contributes to an Employee's Account with respect to a prior Limitation Year due to the Employee's qualified military service, in accordance with Section 3.13, such contribution is not considered an Annual Addition for the Limitation Year in which the contribution is made, but is considered an Annual Addition for the Limitation Year to which the contribution relates.

(j) The dollar amounts under the foregoing limits shall automatically adjust annually for increases in the cost of living in accordance with Treasury Department Regulations, as provided in Section 415(d) of the Code.

(k) The annual Compensation of each Participant taken into account for any Limitation Year shall not exceed $200,000, as adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Code. The cost-of-living adjustment in effect for a calendar year applies to annual Compensation for the Limitation Year that begins with or within such calendar year.

3.12 Return of Contributions to Employer

(a) If all or part of the Employer's contributions hereunder are conditioned upon their deductibility under Section 404 of the Code and the deduction for all or any part of such contributions to the Plan is disallowed by the Internal Revenue Service, the portion of the contributions to which such disallowance applies shall be returned to the Employer without interest, but reduced by any investment loss attributable to those contributions. The return shall be made as soon as practicable within one (1) year after the disallowance. All Contributions to the Plan are conditioned on their deductibility.

(b) If a contribution is made due to a mistake of fact, the Employer may require the Trustee to return the contribution, without interest but reduced by any investment loss allocable to the contribution. The return shall be made as soon as practicable within one (1) year after the date the contribution was made.

(c) If, upon termination of the Plan, there remain Trust assets held in suspense accounts, the Trustee shall return such assets to the Employer. Notwithstanding the foregoing, the Employer may elect to reallocate the assets held in suspense accounts to those Employees who are Participants under the Plan as of the date of termination of the Plan in proportion to their Compensation.

3.13 Rights of Reemployed Veterans

In accordance with Section 13.15, a Reemployed Veteran shall be entitled to the restoration of certain benefits under the Plan that would have accrued, or that he or she would have received, under the Plan but for his or her absence from the employ of the Employer due to Qualified Military Service. A Reemployed Veteran is defined as an Employee who left the employ of the Employer to perform service in the Armed Services of the United States, and subsequently was reemployed by the Employer pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"). 'Qualified Military Service' is defined as service in the uniformed services (as defined in chapter 43 of title 38, United States Code) performed by the Reemployed Veteran whose entitlement to reemployment rights pursuant to USERRA arose with respect to such service.

(a) Crediting of Period of Qualified Military Service

To the extent required by USERRA and Section 414(u) of the Code, the Reemployed Veteran, for all purposes under the Plan, shall be credited Hours of Service for his or her absence from the employ of the Employer due to Qualified Military Service, in accordance with the regulations or other rules provided by the Internal Revenue Service.

(b) "Make-Up" Contributions

To the extent required by USERRA and Section 414(u) of the Code, the Reemployed Veteran shall be permitted to make additional contributions and receive related Matching Contributions during the period which (1) begins on the Reemployed Veteran's date of reemployment with the Employer, and (2) has the same length as the lesser of: (i) the period of Qualified Military Service multiplied by 3, or (ii) five (5) years.

The maximum amount of additional contributions that the Reemployed Veteran is permitted to make is the maximum amount of such contributions that the Reemployed Veteran would have been permitted to make had he or she continued to be employed by the Employer during the period of Qualified Military Service and received Compensation. Compensation for purposes of this Section 3.13 shall be based on the rate of pay that the Reemployed Veteran would have received during the period of Qualified Military Service had he remained employed by the Employer. If such rate of pay was not reasonably certain, such Compensation shall be based on the Reemployed Veteran's average Compensation from the Employer during (1) the twelve (12) month period immediately before the Qualified Military Service, or (2) if shorter, the period of employment immediately before the Qualified Military Service.

If any contribution is made by an Employer or an Employee under the Plan with respect to an Employee whose reemployment is governed by USERRA:

(1) Such contribution shall not be subject to any otherwise applicable limitation contained in Section 402(g), 402(h), 403(b), 404(a), 404(h), 408, 415 or 457 of the Code and shall not be taken into account in applying such limitations to other contributions or benefits under such plan or any other plan, with respect to the year in which the contribution is made;

(2) Such contribution shall be subject to the limitations referred to in (1) above with respect to the year to which the contribution relates (in accordance with rules prescribed by the Secretary of the Treasury); and

(3) The Plan shall not be treated as failing to meet the requirements of Section 401(a)(4), 401(a)(26), 401(k)(3), 401(k)(11), 401(k)(12), 401(m), 403(b)(12), 408(k)(3), 408(k)(6), 408(p), 410(b) or 416 of the Code by reason of the making of (or the right to make) such contribution.

3.14 Early Participation Testing Rule

If the Employer elects to apply Section 410(b)(4)(B) of the Code in determining whether the Plan satisfies the requirements of Section 410(b) of the Code, the Employer may, in determining whether the Plan meets the requirements of Section 3.5 and/or Section 3.8 exclude from consideration all Eligible Employees (other than Highly Compensated Employees) who have not met the minimum age and service requirements of Section 410(a)(1)(A) of the Code.

ARTICLE IV

MAINTENANCE AND VALUATION OF ACCOUNTS

4.1 Maintenance of Accounts

A separate After-Tax Contribution Account, Before-Tax Contribution Account, Catch-Up Contribution Account, Matching Contribution Account, and if necessary, QMAC Account, QNEC Account and Rollover Contribution Account shall be maintained for each Participant as well as any other accounts or subaccounts as the Administrator deems necessary or desirable.

4.2 Valuation of Accounts

As of each Valuation Date, the Accounts of each Participant shall be adjusted to reflect contributions, withdrawals, distributions, income earned or accrued, expenses paid from the assets of the Plan and any increase or decrease in the fair market value of the assets of the Plan since the preceding Valuation Date.

4.3 Account Statements

At least once a year, each Participant shall be furnished with a statement stating the dollar value of his Accounts and the vested portion of his Accounts.

Notwithstanding the above, the Administrator shall furnish a pension benefit statement at least once each calendar quarter to a Participant or Beneficiary who has the right to direct the investment of assets in his or her Account, in accordance with the provisions of Section 508 of the Pension Protection Act of 2006, as it may be amended from time to time.

ARTICLE V

INVESTMENT OF CONTRIBUTIONS

5.1 Investment Funds

(a) The Administrator from time to time shall direct the Trustee to establish and maintain one or more Investment Funds, hereinafter referred to as Funds, for the investment of assets of the Trust Fund. The number and type of Funds shall be determined by the Administrator, which may, in its discretion, direct the Trustee to establish and maintain one or more additional Funds or to delete one or more existing Funds.

(b) Pending the investment of any amounts in a Fund, the Trustee may invest assets of the Trust Fund temporarily in interest-bearing accounts, certificates of deposit, Treasury bills, commercial paper, money market funds, short-term obligations of the United States Government, short-term investment funds or other short-term obligations selected by the Trustee. The Trustee may keep such amounts of cash as it, in its sole discretion, shall deem necessary or advisable as part of such Funds, all within the limitations specified in the Trust Agreement.

(c) All interest, dividends and proceeds from the disposition of and other income received with respect to assets held with respect to each of the Funds shall be reinvested in the respective Fund and all expenses of the Trust that are properly allocable to a particular Fund shall be so allocated and charged.

5.2 Investment of Participant Accounts

(a) A Participant may, in accordance with applicable administrative procedures, specify the percentages of his Accounts that shall be invested in each Fund maintained under the Plan, subject to subsections (b) and (c) below.

(b) A Participant's investment in the Ingram Micro Stock Fund shall comply with the provisions of Code Section 401(a)(35), Treasury Regulation Section 1.401(a)(35)-1, and any subsequent guidance of general applicability, as follows:

(1) Not more than 25% of new contributions allocated to a Participant's Account may be invested in the Ingram Micro Stock Fund.

(2) A Participant shall not be permitted to transfer assets into the Ingram Micro Stock Fund from any other Fund to the extent that such transfer would cause the percentage of the Participant's Account invested in the Ingram Micro Stock Fund to exceed 25%.

(3) A Participant whose Account is more than 25% invested in the Ingram Micro Stock Fund because of investments elected before December 1, 2008, changes in the market value of the Funds, or any other reason, shall not be required to transfer assets out of the Ingram Micro Stock Fund, provided that the Participant has complied with paragraphs (1) and (2), above, on and after December 1, 2008.

(4) Notwithstanding the above, the Plan may impose a restriction or condition on the acquisition or divestiture of the Ingram Micro Stock Fund that is either required in order to ensure compliance with applicable securities laws or is reasonably designed to ensure compliance with applicable securities laws. Therefore, a Participant who is subject to Rule 16b-3 of the Securities and Exchange Commission or who is designated by the Employer as a window group person may only be permitted to transfer contributions into or out of the Ingram Micro Stock Fund during a special open window period established by the Employer.

(5) Except as provided in paragraph (4), above, a Participant may, in accordance with applicable administrative procedures, transfer assets from the Ingram Micro Stock Fund to another Fund without restrictions.

(c) Not more than 50% of a Participant's Account balance may be invested in the Self-Directed Brokerage Fund. Participation in the Self-Directed Brokerage Fund shall be subject to such terms and conditions as may be established from time to time by the Administrator, which may include specific enrollment procedures, commission and fee schedules, and restrictions on loans and withdrawals.

(d) If a Participant fails to make an investment election pursuant to Section 5.2(a), all of his Accounts shall be invested in a "qualified default investment alternative" described in ERISA Section 404(c)(5) and related regulations, or such other Fund that the Administrator determines, in its sole discretion, is consistent with the prudent discharge of its fiduciary duties. Furthermore, to the extent that (i) a Participant's election to invest new contributions in the Ingram Micro Stock Fund on or after December 1, 2008, should exceed the limit set forth in Section 5.2(b)(1), or (ii) a Participant's election to invest in the Self-Directed Brokerage Fund on or after January 3, 2011, should exceed the limit set forth in Section 5.2(c), the excess amount shall be invested in a "qualified default investment alternative" described in ERISA Section 404(c)(5) and related regulations, or such other Fund that the Administrator determines, in its sole discretion, is consistent with the prudent discharge of its fiduciary duties.

5.3 Responsibility for Investments

Each Participant is solely responsible for the selection of his investment options. The Trustee, the Administrator, the Employer and the officers, supervisors and other employees of the Employer are not empowered to advise a Participant as to the manner in which his Accounts shall be invested. The fact that a particular Fund is available to Participants for investment under the Plan shall not be construed as a recommendation for investment in that Fund. The Trustee shall be the named fiduciary for the purposes of carrying out the Participant's investment instructions.

5.4 Changing Investment Elections – Future Contributions

A Participant may, in accordance with applicable administrative procedures, change his investment election as to subsequent contributions, subject to the limitations of Section 5.2, as of any Valuation Date.

5.5 Transfer Among Funds

A Participant may, in accordance with applicable administrative procedures and subject to any restrictions that may be imposed by particular Funds or by Section 5.2 of the Plan, elect to transfer all or a portion of the balance in all of his Accounts between and among Funds as of any Valuation Date. The Employer, however, reserves the right, in its sole discretion, to implement reasonable restrictions on a Participant's right to transfer among Funds.

A Participant who is subject to Rule 16b-3 of the Securities and Exchange Commission or who is designated by the Employer as a window group person may only be permitted to transfer contributions into or out of the Ingram Micro Stock Fund during an open window period established by the Employer.

ARTICLE VI

VESTING

6.1 Vesting in After-Tax Contribution, Before-Tax Contribution, Catch-Up Contribution, QMAC, QNEC and Rollover Accounts

A Participant shall at all times have a one hundred percent (100%) nonforfeitable vested right to the value of his After-Tax Contribution Account, Before-Tax Contribution Account, Catch-Up Contribution Account, QMAC Account, QNEC Account and Rollover Account.

6.2 Vesting in Matching Contribution Account

(a)A Participant shall have a nonforfeitable vested right to the value of his Matching Contribution Account in accordance with the following schedule:

Years of Service	**Vested Percentage**
Less than 1 year	0
1 year but less than 2	20
2 years but less than 3	40
3 years but less than 4	60
4 years but less than 5	80
5 or more years	100

(b) Notwithstanding the provisions of (a) above, a Participant shall have a one hundred percent (100%) nonforfeitable vested right to the value of his Matching Contribution Account upon the occurrence of any of the following events prior to his Severance from Employment: (1) Normal Retirement Age, (2) Disability, (3) death, or (4) in accordance with Section 12.4. For this purpose, a Participant who dies on or after January 1, 2007, while performing qualified military service (as defined in Section 414(u) of the Code) shall be 100% vested to the same extent as if the Participant had resumed and then terminated employment on account of death. The survivors of the Participant shall be entitled to any additional benefits, other than benefit accruals relating to the period of qualified military service, provided under this Plan had the Participant resumed and then terminated employment on account of death.

(c) The Plan shall disregard Before-Tax and Catch-Up Contributions in applying the vesting provisions of the Plan to other contributions or benefits solely for purposes of Section 411(a)(2) of the Code.

6.3 Forfeiture of Non-vested Interest

Upon a Participant's Severance from Employment, the non-vested portion of a Participant's Matching Contribution Account shall be forfeited at the earlier of the date he receives a distribution of the vested portion of his Account or the date he incurs five (5) consecutive One-Year Breaks in Service. For purposes of this Article VI, a One-Year Break in Service means a twelve (12) consecutive month period beginning on an Employee's Severance Date or an anniversary thereof and ending on the first anniversary of such date during which the Participant does not receive credit for an Hour of Service. The Administrator shall apply all forfeitures by first restoring the amount of previous forfeitures, in accordance with Section 6.4(c), then by reducing the amount of Employer contributions required under the Plan for the then current Plan Year and allocating such forfeitures in a manner consistent with Section 3.2, and, finally, by paying reasonable administrative expenses to the extent not paid by the Employer.

6.4 Restoration of Forfeitures and Service

(a) If a former Participant whose Severance from Employment resulted in a forfeiture of his entire Account pursuant to Section 6.3 resumes participation in the Plan after at least five (5) consecutive One-Year Breaks in Service, he shall have no right to restoration of any previously forfeited portion of his Account. Such Participant's Years of Service or period of employment after the break in service or period of absence shall not be taken into account in determining the Participant's vested nonforfeitable right to the value of his Account attributable to contributions made by the Employer before he resumed participation in the Plan. However, the Participant's Years of Service or period of employment before the break in service or period of absence shall be taken into account in determining the Participant's vested nonforfeitable right to the value of his Account attributable to contributions made by the Employer after he resumed participation in the Plan.

(b) If a former Participant had a Severance from Employment, but did not receive a distribution pursuant to Section 8.3, and resumed employment as an Eligible Employee prior to incurring five (5) consecutive One-Year Breaks in Service, the Participant shall not incur a forfeiture. Such Participant's Years of Service or period of employment before and after the break in service shall be taken into account in determining the Participant's vested nonforfeitable right to the value of his Matching Contribution Account.

(c) If a former Participant whose Severance from Employment resulted in a forfeiture of the entire non-vested portion of his Account pursuant to Section 6.3 received a distribution pursuant to Section 8.3 and resumes employment as an Eligible Employee prior to incurring five (5) consecutive One-Year Breaks in Service, the previously forfeited portion of his Account shall be restored upon the date on which the Participant repays in cash to the Plan the full amount of the distribution, in accordance with applicable administrative procedures. Such repayment must be made prior to the end of the five (5) year period commencing on the Participant's Reemployment Commencement Date. Such Participant's Years of Service before and after the Break in Service shall be taken into account in determining the Participant's vested nonforfeitable right to the value of his Matching Contribution Account.

(d) If a former Participant whose Severance from Employment resulted in a forfeiture of the entire non-vested portion of his Account pursuant to Section 6.3 received a distribution pursuant to Section 8.3 and resumes employment as an Eligible Employee prior to incurring five (5) consecutive One-Year Breaks in Service, but does not repay such distribution in accordance with Section 6.4(c), the previously forfeited portion of his Account shall not be restored. Such Participant's Years of Service before and after the Break in Service shall be taken into account in determining the Participant's vested nonforfeitable right to the value of his Matching Contribution Account.

ARTICLE VII

WITHDRAWALS AND LOANS DURING EMPLOYMENT

7.1 General Rules Applicable to all In-Service Withdrawals

The only in-service withdrawals permitted by the Plan are those described in this Article VII.

Each in-service withdrawal request must be filed in accordance with applicable administrative procedures. Each withdrawal shall be determined as of the Valuation Date as soon as practicable after the withdrawal request is approved and shall be drawn, to the extent available, pro rata from the Investment Funds in which the Account is invested or in which the Accounts are invested if the withdrawal is taken from multiple Accounts. Only a Participant who has not incurred a Severance from Employment may request an in-service withdrawal.

In-service withdrawals may not be taken from the Self-Directed Brokerage Fund. In accordance with procedures established by the Administrator, a Participant may transfer investments from the Self-Directed Brokerage Fund to another Fund, and then make an in-service withdrawal permitted under this Article VII.

7.2 Rollover Contribution Account and After-Tax Contribution Account Withdrawals

A Participant may, in accordance with applicable administrative procedures, request a withdrawal of all or any portion of his Rollover Contribution Account and/or his After-Tax Contribution Account at any time.

7.3 Age 59½ Withdrawals

A Participant who has attained age 59½ may, in accordance with applicable administrative procedures, request a withdrawal of all or any portion of his vested Account. A withdrawal pursuant to this Section 7.3 shall not affect the Participant's continued participation in the Plan.

7.4 Hardship Withdrawals

(a) A Participant who has suffered a Hardship may request a withdrawal of all or any portion of the value of his Before-Tax Contribution Account (excluding all earnings comprising part of such Account that were credited after 1988), his Catch-Up Contribution Account and his vested Matching Contribution Account. For purposes of this Section 7.4, Hardship means an immediate and heavy financial need, as determined by the Administrator on a uniform and nondiscriminatory basis, that arises on account of (a) expenses for (or necessary to obtain) medical care that would be deductible under Section 213(d) of the Code (determined without regard to whether the expenses exceed 7.5% of adjusted gross income), (b) the purchase (excluding mortgage payments) of a principal residence for the Participant, (c) tuition expenses for the next twelve (12) month period of post-secondary education for the Participant, his Spouse, or any dependents of the Participant (as defined in Section 152 of the Code but without regard to Section 152(d)(1)(B) of the Code)), (d) the need to prevent the eviction of the Participant from his principal residence or foreclosure on the mortgage of the Participant's principal residence, (e) burial or funeral expenses for the Participant's deceased parent, spouse, children or dependents (as defined in Section 152 of the Code but without regard to Section 152(d)(1)(B) of the Code), (f) the repair of damage to the Participant's principal residence that would qualify for the casualty deduction under Section 165 of the Code (determined without regard to whether the loss exceeds 10% of adjusted gross income), or (g) any other immediate and heavy financial need that the Administrator, in its sole discretion, determines qualifies as a Hardship.

(b) Before requesting a withdrawal pursuant to this Section 7.4, a Participant must first obtain all distributions, other than hardship distributions, and all nontaxable loans currently available to him under all qualified plans maintained by the Employer.

(c) The amount of any Hardship withdrawal shall not exceed the amount required to meet the immediate and heavy financial need created by the hardship, including the amount necessary to pay any income taxes and related penalties resulting from the distribution. The determination of the existence of the financial need and the amount necessary to meet that need shall be made by the Administrator in accordance with objective standards on a uniform and nondiscriminatory basis.

(d) A Participant who obtains a Hardship withdrawal pursuant to this Section 7.4 shall be prohibited from making Before-Tax, After-Tax and Catch-Up Contributions to the Plan and to all other plans maintained by the Employer for six (6) months from the date of the withdrawal.

(e) Any Hardship withdrawal made pursuant to this Section 7.4 shall be taken to the extent available, prorata from the Investment Funds in which the following are invested in this order: vested Matching Contribution Account, Before-Tax Contribution Account and Catch-up Contribution Account. All Hardship withdrawal payments shall be made in a lump sum in cash as soon as practicable after the Administrator makes its determination.

7.5 Loans to Participants

(a) Loans

The Administrator or its delegate may, in accordance with a uniform and nondiscriminatory policy, direct the Trustee to loan a Participant amounts from the vested portion of his Accounts. All loans shall be in accordance with the terms, conditions, requirements and limitations specified in this Section 7.5 and any separate written document adopted by the Administrator and forming part of the Plan. It is intended that all loans made to Participants under this Section 7.5 shall meet the requirements of Section 72(p) of the Code.

(b) Loan Administration

The loan provision of the Plan shall be administered on a uniform and nondiscriminatory basis in accordance with terms and conditions established by the Administrator. The Administrator is authorized to delegate to the Trustee the authority to review loan requests, execute loan agreements and collect loan payments.

In administering the loan provisions of this Section 7.5, the Administrator or its delegate shall:

(1) Adopt such rules and regulations as it deems necessary for the proper and efficient administration of loans, including, but not limited to, appropriate adjustments in the accounting provisions of the Plan as it deems necessary and advisable to facilitate and account for loans;

(2) Establish standards that shall be used to determine if a loan request should be approved;

(3) Determine how the interest rate to be charged on outstanding loans is to be calculated and when the rate to be charged for new loans is to be changed;

(4) Determine, from time to time, the minimum loan amount;

(5) Employ agents, attorneys, accountants, and other persons to administer the loan provision and to collect outstanding loans; and

(6) Take all other actions necessary or advisable to carry out the provisions of this Section 7.5.

(c) Loan Eligibility

Any Participant who is either (1) an Employee paid on the payroll system of the Employer or (2) a former Employee who is a party in interest as defined in Section 3(14) of

ERISA with respect to the Plan may request a loan subject to the terms, conditions and limitations prescribed in this Section 7.5.

(d) Loan Request

Each loan request must be made in accordance with procedures prescribed by the Administrator.

(e) Term of Loan and Payment

Each loan shall be evidenced by a legally enforceable agreement in a form approved by the Administrator and shall provide for payment of principal and interest based on substantially level amortization payments. All loans shall be subject to a specific repayment schedule with payments to be made not less frequently than quarterly over the term of the loan. The period of repayment for any home loan within the meaning of Section 72(p)(2)(B)(ii) of the Code shall not exceed one hundred and eighty (180) months. The period of repayment for all other loans shall in no event exceed sixty (60) months.

A loan to a Participant shall be secured by the Participant's Account. Except in the case of Participants described in Section 7.5(c)(2), loan payments shall be required to be made through payroll deductions, and each Participant shall be required to execute an irrevocable authorization directing the Employer to deduct the loan payments from the Participant's wages or salary, which amounts shall be transmitted to the Trustee and applied against the outstanding loan balance. Participants may prepay the entire amount of the remaining unpaid principal balance (and all remaining interest due thereon) at any time without penalty. Loan payments in the case of Participants described in Section 7.5(c)(2) shall be made in a manner approved by the Administrator.

(f) Maximum Loan

Loans to a Participant (when added to the outstanding balance of all other loans from the Plan and any other qualified plan maintained by the Employer) shall not be in an amount that exceeds the lesser of:

(1) $50,000, reduced by the excess (if any) of the highest outstanding balance of loans from the Plan during the one (1) year period ending on the day before the date on which such loan is made, over the outstanding balance of other loans from the Plan on the date the new loan is made, or

(2) Fifty percent (50%) of the vested portion of the Participant's Account.

(g) Interest

Each loan shall bear interest at a rate to be fixed by the Administrator and, in determining the interest rate, the Administrator shall take into consideration interest rates currently being charged by commercial lending institutions. Interest rates shall be fixed for the terms of the loan at the time the loan is made, and the Administrator shall determine periodically the interest rate to be charged on new loans.

(h) Failure to Repay Loans

The Administrator shall establish uniform rules to apply where a Participant fails to repay any portion of a loan made to him and accrued interest thereon in accordance with the terms of the loan, or where any portion of a loan and accrued interest thereon remains unpaid on a Participant’s Severance from Employment. Such rules shall not be inconsistent with Section 72(p) of the Code and Regulations thereunder. Loan repayments with respect to qualified military service will be suspended as permitted under Section 414(u)(4) of the Code.

Notwithstanding the foregoing provisions of this Section 7.5(h), if a Participant loan remains unpaid at the time that a distribution is due the Participant (or his Beneficiary) under the Plan, the Administrator shall reduce the amount otherwise distributable to the Participant or Beneficiary by the unpaid balance of principal and accrued interest on the Participant’s loan and distribute (in kind) the promissory note or other agreement evidencing such loan in full or partial satisfaction of the obligation to distribute the Participant’s vested Account.

The requirement that loan repayments be made on an amortized basis, not less frequently than quarterly, may be suspended for up to one year while a Participant is on a leave of absence approved by the Employer, either without pay or at a rate of pay (after income and employment tax withholding) that is less than the amount of the installment payments required under the terms of the Participant loan. In the event the Participant loan does not already have the maximum permitted term (180 months for a home loan within the meaning of Section 72(p)(2)(B)(ii) of the Code, or 60 months for any other loan), the term of the loan may be extended by the length of the leave of absence, but not beyond the maximum permitted term measured from the date the loan was originally made. In the case of a Participant loan that was originally made for the maximum permitted term, the suspension of loan payments shall not extend the due date of the Participant loan beyond the due date in effect immediately prior to the leave of absence and the installments due after the leave of absence ends (or, if earlier, after the first year of the leave of absence) must not be less than the installments required under the terms of the original loan.

A default in repayment of a Participant loan shall occur when a Participant fails to make any payment when due under the terms of a Participant loan. Notwithstanding the above, the Administrator may establish a grace period, during which Participants may make past due payments without incurring a default. If a grace period is established, it shall in no event continue beyond the last day of the calendar quarter following the calendar quarter in which the required payment was initially due from the Participant. Such grace period, if any, shall be applied in a uniform and nondiscriminatory manner, taking into account commercially reasonable factors concerning whether (or to what extent) a grace period should be allowed based on all of the facts and circumstances of the particular case.

Upon the occurrence of a default, as described above, there shall be a deemed distribution to the Participant equal to the entire outstanding balance of the Participant loan at the time of such default.

(i) Directed Investment

Any loan to a Participant under this Section 7.5 shall be made pro rata from the Investment Funds in which the Participant's individual Account is invested, shall be charged against said Account and shall be treated as a segregated investment of the Participant's Account. Any loan to a Participant who is subject to Rule 16b-3 of the Securities and Exchange Commission or who is designated by the Employer as a window group person shall be made pro-rata from the Investment Funds in which the Participant's individual Account is invested other than the Ingram Micro Stock Fund. Any principal and interest paid on the loan shall be paid in accordance with the Participant's investment elections in effect at the time of the loan repayment. Loan repayments shall be applied first to satisfy accrued loan interest and the remainder shall be applied to principal. If and to the extent required by the Sarbanes-Oxley Act or other applicable law, loans shall not be made to officers of the Employer or other prohibited classifications of Participants.

Notwithstanding the above, a loan may not be taken from the Self-Directed Brokerage Fund. In accordance with procedures established by the Administrator, a Participant may transfer investments from the Self-Directed Brokerage Fund to another Fund, and then obtain a loan from the transferred amount to the extent permitted under this Section 7.5.

7.6 Withdrawals During Military Service

A Participant may withdraw up to the entire balance of his Before-Tax Contribution Account during any period the Participant is performing service in the uniformed services (as defined in Chapter 43 of Title 38 of the United States Code) while on active duty for more than 30 days; provided that a Participant who makes such a withdrawal shall not make a Before-Tax Contribution or After-Tax Contribution during the 6-month period beginning on the date of the withdrawal.

ARTICLE VIII

DISTRIBUTIONS UPON SEVERANCE FROM EMPLOYMENT

8.1 Eligibility for Distribution

A Participant's vested Account balance shall become payable upon Severance from Employment for any reason including death or Disability.

8.2 Forms of Payment

Benefits shall be payable in a single lump sum payment. The Participant or Beneficiary may elect to receive distributions from the Ingram Micro Stock Fund in cash or in kind. Fractional shares must be settled in cash.

8.3 Timing of Payment

Benefits that become payable in accordance with Section 8.1 shall be distributed as soon as administratively feasible after the Participant or the Beneficiary, as the case may be, elects, in accordance with procedures established by the Administrator, to receive a distribution. If the vested value of the Participant's Account is more than $5,000 at the time benefits become distributable in accordance with Section 8.1, the Participant must consent to the distribution. Such consent form shall include a description of the Participant's right, if any, to defer receipt of a distribution and the consequences of failing to defer such receipt, and such consent must be obtained not more than 180 days before the commencement of the distribution of any part of the Participant's vested Account balance. If the vested value of the Participant's Account is $5,000 or less at the time benefits become distributable in accordance with Section 8.1, the Participant or Beneficiary, as the case may be, shall be required to receive a distribution as soon as administratively practicable of the balance payable in a single lump sum payment. Effective for benefits that become payable on or after March 28, 2005, if the vested value of the Participant's Account is $5,000 or less but greater than $1,000 at the time benefits become distributable in accordance with Section 8.1 and the Participant does not elect to have such distribution paid in the manner described in Section 8.2 or 8.7, the Employer will pay the distribution in a direct rollover to an individual retirement plan designated by the Employer. The vested value of the Participant's Account for this purpose shall be determined with regard to that portion of the Account that is attributable to Rollover Contributions (and earnings allocable thereto) within the meaning of Sections 402(c), 403(a)(4), 403(b)(8), and 457 (e)(16) of the Code.

8.4 Minimum Distribution Requirements

The requirements of this Section 8.4 shall take precedence over any inconsistent provisions of the Plan. All distributions required under this Section 8.4 shall be determined and made in accordance with the Regulations under Section 401(a)(9) of the Code.

(a) Time and Manner of Distribution

(1) 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'. The Required Beginning Date, for purposes of this Section 8.4, means April 1st of the calendar year following the later of (i) the calendar year in which the Participant attains age 70½, or (ii) the calendar year in which the Participant retires. A Participant who is a five percent (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 70½ shall have his Required Beginning Date determined pursuant to (i) above.

(2) If the Participant dies before distributions begin, the Participant's entire interest will be distributed in a single lump sum payment no later than December 31st of the calendar year containing the fifth anniversary of the Participant's death.

(b) Required Minimum Distributions During Participant's Lifetime

(1) During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:

(A) The quotient obtained by dividing the Participant's account balance (as defined below in Section 8.4(d)(3)) by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Regulations, using the Participant's age as of the Participant's birthday in the distribution calendar year; or

(B) If the Participant's sole designated beneficiary for the distribution calendar year is the Participant's Spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Regulations, using the Participant's and Spouse's attained ages as of the Participant's and Spouse's birthdays in the distribution calendar year.

(2) Required minimum distributions will be determined under this Section 8.4(b) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

(c) Required Minimum Distributions After Participant's Death

(1) If the Participant dies on or after the date distributions begin, the Participant's entire remaining interest will be distributed in a single lump sum payment no later than December 31st of the calendar year immediately following the calendar year in which the Participant died.

(2) If the Participant dies before the date distributions begin, the Participant's entire interest will be distributed in a single lump sum payment no later than December 31st of the calendar year containing the fifth anniversary of the Participant's death.

(d) Definitions

The following definitions apply for purposes of this Section 8.4:

(1) Designated Beneficiary. The individual who is designated as the beneficiary under Section 2.2 of the Plan and is the designated beneficiary under Section 401(a)(9) of the Code and Section 1.401(a)(9)-1, Q&A-4, of the Regulations.

(2) Distribution Calendar Year. 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 which contains the Participant's Required Beginning Date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 8.4(a)(2). The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's Required Beginning Date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's Required Beginning Date occurs, will be made on or before December 31st of that distribution calendar year.

(3) Participant's account balance. The account balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account balance as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The account balance for the valuation calendar year includes any amounts rolled over or transferred to the plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

8.5 Special Timing Rules

Unless a Participant elects otherwise, his vested Account shall be distributed to him no later than sixty (60) days after the close of the Plan Year in which occurs the latest of his Normal Retirement Age (or age 65, if earlier), the tenth (10^{th}) anniversary of the year in which he commenced participation in the Plan or the date of his Severance from Employment. A Participant must, however, file a claim for benefits before benefits will be distributed to him in accordance with this Section 8.5. The failure of a Participant to consent to a distribution while his benefit is immediately distributable within the meaning of Section 411(a)(11) of the Code shall be deemed to be an election to defer commencement of payment of any benefit sufficient to satisfy this Section 8.5.

8.6 Proof of Death

The Administrator may require and rely upon such proof of death and such evidence of the right of any Beneficiary or other person to receive the value of the Accounts of a deceased Participant as the Administrator may deem proper, and its determination of death and of the right of that Beneficiary or other person to receive payment shall be conclusive.

8.7 Direct Rollovers

(a) In General

Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Section 8.7, a Distributee may elect, at the time and in the manner prescribed by the Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.

(b) Eligible Rollover Distribution

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 (no 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 (10) years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; except as otherwise provided below, the portion of any distribution that is not includible in gross income; and, any hardship distribution described in Section 401(k)(2)(B)(i)(IV). A portion of a distribution shall not fail to be an Eligible Rollover Distribution merely because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in Section 401(a) or (b) of the Code, or to a defined contribution plan described in Section 401(a) or 403(a) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not includible. The term ‘Eligible Rollover Distribution’ shall include any distribution to a designated beneficiary which would be treated as an Eligible Rollover Distribution by reason of Section 8.7(g) if the requirements of Section 8.7(g) were satisfied.

(c) Eligible Retirement Plan

An Eligible Retirement Plan is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, an annuity contract described in Section 403(b) of the Code, an eligible plan under Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state and which agrees to separately account for amounts transferred into such plan from the Plan, or a qualified trust described in Section 401(a) of the Code, that accepts the Distributee's Eligible Rollover Distribution.

(d) Distributee

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 Section 414(p) of the Code, are Distributees with regard to the interest of the Spouse or former Spouse.

(e) Direct Rollover

A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

(f) Waiver of Thirty (30) Day Notice

If a distribution is not subject to Sections 401(a)(11) and 417 of the Code, the distribution may be made less than thirty (30) days after the notice required by Reg. Sec. 1.411(a)-11(c) is given provided:

(1) The Administrator clearly informs the Participant that the Participant has the right to a period of at least thirty (30) days after receiving the notice to consider the decision whether or not to elect a distribution (and, if applicable, a particular distribution option); and

(2) The Participant, after receiving the notice, affirmatively, elects to receive a distribution.

(g) Direct Transfer by Non-Spouse Beneficiary

A non-Spouse Beneficiary of a Participant's death benefits may authorize a direct transfer to an individual retirement account described in Code Section 408(a) or an individual retirement annuity described in Code Section 408(b), in accordance with Code Section 402(c)(11).

ARTICLE IX

TOP HEAVY PROVISIONS

9.1 When Applicable

If the Plan is determined to be "Top Heavy" for any Plan Year, the provisions of this Article shall supersede any conflicting provisions of the Plan.

9.2 Top Heavy Determination

(a) The Plan shall be Top Heavy with respect to any Plan Year in which, as of the "Determination Date", the ratio of the present value of accrued benefits under all defined benefit plans in the "Aggregation Group" for "Key Employees" plus all Account balances attributable to Employer and Employee contributions (except as otherwise noted below) under the Plan and all other defined contribution plans in the Aggregation Group, exceeds sixty percent (60%) of such present value of accrued benefits and such Account balances for all Key Employees and Non-Key Employees under all plans in the Aggregation Group. The present values of accrued benefits and 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 one (1) year period ending on the determination date. The preceding sentence shall also apply to distributions under a terminated plan which, had it not terminated, would have been aggregated with the Plan under Section 416(g)(2)(A)(i) of the Code. In the case of a distribution for a reason other than severance from employment, death or disability, this provision shall be applied by substituting a five (5) year period for the one (1) year period. The accrued benefits and accounts of any individual who has not performed services for the Employer during the one (1) year period ending on the determination date shall not be taken into account. The accrued benefits and account balances of any individual who is not a Key Employee but who was a Key Employee in a prior year will be disregarded. In any event, the calculation of the Top Heavy ratio and the extent to which distributions, tax deductible qualified employee contributions, rollovers and transfers are taken into account shall be in accordance with Section 416 of the Code and the Regulations thereunder. When aggregating plans, accrued benefits and account balances under other plans will be calculated as of determination dates that are within the same calendar year.

(b) In determining the cumulative accrued benefits under a defined benefit plan for purposes of this Section 9.2, the actuarial assumptions specified by the defined benefit plan for this purpose shall be utilized. If differing actuarial assumptions are specified for two or more defined benefit plans, the actuarial assumptions for the defined benefit plan including the largest number of employees in the first year any defined benefit plan is included within the Aggregation Group shall be utilized. Solely for the purpose of determining if the Plan or any other plan in a required aggregation group of which the Plan is a part is a Top Heavy Plan, the accrued benefit of an Employee other than a Key Employee shall be determined (1) under the method, if any, that uniformly applies for accrual purposes under all plans maintained by the Employer, or (2) if there is no such method, as if such benefit accrued not more rapidly than the slowest accrual rate permitted under the fractional accrual rate of Section 411(b)(1)(C) of the Code.

(c) The term Top Heavy shall not include a plan which consists solely of (1) a cash or deferred arrangement which meets the requirements of Section 401(k)(12) and (2) matching contributions with respect to which the requirements of Section 401(m)(11) are met. If, but for the foregoing, a plan would be treated as a Top Heavy plan because it is a member of an aggregation group which is a Top Heavy group, contributions under the plan may be taken into account in determining whether any other plan in the group meets the requirements of Section 416(c)(2) of the Code.

9.3 Minimum Contribution

For each year that the Plan is Top Heavy the Employer shall contribute to the Plan and allocate to the Matching Contribution Account of each Participant who is a Non-Key Employee (including such an individual who is eligible to participate but has not elected to do so in accordance with Article II) an amount that is not less in total than the lesser of three percent (3%) of the Non-Key Employee’s Compensation for the Plan Year or the greatest amount (expressed as a percentage of Compensation) allocated to the Account of any Key Employee for that year. Compensation for purposes of this Article IX shall mean compensation within the meaning of Section 415(c)(3) of the Code as defined in Section 3.11. This minimum allocation shall be made even though, under other Plan provisions, the Eligible Employee would not otherwise be entitled to receive an allocation or would have received a lesser allocation for the year because of (a) his failure to be employed on a specified date such as the last day of the Plan Year, (b) his failure to make mandatory contributions, if any, to the Plan, or (c) his Compensation being less than a stated amount. This requirement shall not apply to the extent the Participant is covered under any other plan or plans of the Employer and such Employer has provided that the minimum benefit or minimum allocation requirements applicable to Top Heavy Plans will be satisfied in the other plan or plans.

Matching Contributions described in Article III shall be taken into account for purposes of satisfying the minimum allocation requirements of Section 416(c)(2) of the Code and the Plan. Matching Contributions that are used to satisfy the minimum allocation requirements shall be treated as Matching Contributions of purposes of the actual contribution percentage test and other requirements of Section 401(m) of the Code.

9.4 Vesting Rules

For any Plan Year in which the Plan is Top-Heavy, the vesting provisions of Article VI will continue to apply.

9.5 Dual Plan Special Limitations

If a Key Employee participates in both the Plan and a defined benefit plan maintained by the Employer, then for all years that the Plan and the defined benefit plan are Top Heavy and the Top Heavy ratio referred to in Section 9.6(b) does not exceed ninety percent (90%), the minimum benefit described in Section 416(h)(2)(A) of the Code shall be provided under the defined benefit plan for each Non-Key Employee.

9.6 Aggregation Groups

(a) A Required Aggregation Group is defined as (1) each qualified plan of the Employer in which at least one Key Employee participates or participated during the Determination Period (regardless of whether the plan has terminated) and (2) any other qualified plan of the Employer which enables a plan described in (1) to meet the requirements of Section 401(a)(4) or 410(b) of the Code. The Determination Period, for this purpose, is the Plan Year containing the Determination Date or any of the four preceding Plan Years. A Permissive Aggregation Group is defined as a Required Aggregation Group plus any other plan or plans of the Employer which, when considered as a group with the Required Aggregation Group, would continue to satisfy the requirements of Section 401(a)(4) and 410(b) of the Code.

(b) Each plan of the Employer required to be included in an Aggregation Group shall be treated as a Top Heavy Plan if such group is a Top Heavy group. A required aggregation will be considered a Top Heavy group if the present value of the cumulative accrued benefits for Key Employees under all defined benefit plans included in such group and the aggregate of the accounts of Key Employees under all defined contribution plans included in such group exceed sixty percent (60%) of a similar sum determined for all Employees.

9.7 Key Employee Defined

(a) A 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 five percent (5%) owner of the Employer, or a one percent (1%) 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 as defined in Section 3.11. 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 of general applicability issued thereunder.

(b) A Non-Key Employee is an Employee who is not a Key Employee.

9.8 Determination Date

Determination Date means with respect to the initial Plan Year, the last day of the first Plan Year and, for each other Plan Year, the last day of the preceding Plan Year.

ARTICLE X

ADMINISTRATION OF PLAN

10.1 Records and Notices

The Administrator shall keep a record of all its proceedings and acts with respect to its administration of the Plan and shall maintain all such books of accounts, records and other data as may be necessary for the proper administration of the Plan. The Administrator shall have the discretionary authority to interpret the provisions of the Plan and Trust Agreement. The Administrator shall notify the Trustees of any action taken by the Administrator affecting the Trustees and its obligations or rights regarding the Plan and, when required, shall notify any other interested person or persons.

10.2 Powers and Duties

The Administrator has the following powers and duties:

(a) To determine the rights of eligibility of an Employee to participate in the Plan, the value of a Participant's Account and the nonforfeitable percentage of each Participant's Account;

(b) To adopt rules of procedure and regulations necessary for the proper and efficient administration of the Plan provided the rules are not inconsistent with the terms of the Plan;

(c) To construe and enforce the terms of the Plan and the rules and regulations it adopts, including interpretation of the Plan documents and documents related to the Plan's operation;

(d) To direct the Trustee as respects the crediting and distribution of the Trust Fund;

(e) To review and render decisions respecting a claim for (or denial of a claim for) a benefit under the Plan;

(f) To furnish the Employer with information which the Employer may require for tax or other purposes;

(g) To engage the service of agents whom it may deem advisable to assist it with the performance of its duties;

(h) To engage the services of an Investment Manager or Managers, as defined in Section 11.3, each of whom will have power and authority to manage, acquire or dispose (or direct the Trustee with respect to acquisition or disposition) of any Plan asset under its control;

(i) To establish, in its sole discretion, a nondiscriminatory policy which the Trustee must observe in making loans, if any, to Participants and Beneficiaries; and

(j) To delegate administrative authority to a committee of individuals and to establish rules of procedure for such committee, including rules regarding how such committee is to act, the vote required for action by the committee and other procedures for the operation of the committee as deemed appropriate by the Administrator.

All rules, procedures and decisions of the Administrator shall be uniformly and consistently applied to all Participants in similar circumstances. Such rules, procedures and decisions so made shall be conclusive and binding on all persons having an interest in the Plan. The Administrator shall be a named fiduciary as defined in ERISA Sec. 402(a)(2).

The Administrator and any representative that the Administrator chooses to assist it to carry out its responsibilities under the Plan shall have the maximum discretionary authority permitted by the law to interpret, construe and administer the Plan, to make determinations regarding Plan participation, enrollment and eligibility for benefits, to evaluate and determine the validity of benefit claims, and to resolve any and all claims and disputes regarding the rights and entitlements of individuals to participate in the Plan and to receive benefits and payments pursuant to the Plan. The decisions of the Administrator and its representatives shall be given the maximum deference permitted by law.

10.3 Compensation and Expenses

The Administrator shall serve without compensation for its services hereunder. All expenses of the Administrator may be paid by the Trust Fund unless paid by the Employer. The Employer shall furnish the Administrator with such clerical and other assistance as is necessary in the performance of its duties and any expense incurred in connection therewith may be paid by the Employer or out of the Trust Fund. The reasonable expenses of administering the Plan may be advanced by the Employer, and then reimbursed to the Employer by the Trust.

10.4 Bonding of Fiduciaries

The Administrator shall be responsible for seeing that every fiduciary of the Plan and Trust and every person who handles Trust assets shall be covered by a fidelity bond or similar policy of insurance to the extent required by Section 412 of ERISA. The cost of such coverage shall be paid by the Trustee out of Trust assets, upon direction of the Administrator, if the cost thereof shall not be timely paid by the Employer.

10.5 Standard of Conduct

The Administrator and any other person to whom any fiduciary responsibility with respect to the Plan or Trust is allocated or delegated shall discharge his duties and responsibilities with respect to the Plan or Trust in accordance with the standards set forth in Section 404(a)(1) of ERISA, which provides, subject to the Sections 403(c) and (d), 4042, and 4044 of ERISA, that a fiduciary shall discharge his duties with respect to a plan solely in the interest of the participants and beneficiaries and

(a) For the exclusive purpose of:

(1) Providing benefits to participants and their beneficiaries; and

(2) Defraying reasonable expenses of administering the plan;

(b) With the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

(c) By diversifying the investments of the plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and

(d) In accordance with the documents and instruments governing the plan insofar as such documents and instruments are consistent with the provisions of this title.

10.6 Claims Procedure

(a) Definitions

For purposes of this Section 10.6, the following words or phrases in quotes when capitalized will have the meaning set forth below:

(1) “Adverse Benefit Determination” means a denial, reduction or the termination of, or a failure to provide or make payment (in whole or in part) with respect to a Claim for a benefit, including any such denial, reduction, termination, or failure to provide or make payment that is based on a determination of a Participant’s or Beneficiary’s eligibility to participate in the

Plan.

(2) "Claim" means a request for a benefit or eligibility to participate in the Plan, made by a Claimant in accordance with the Plan's procedures for filing Claims, as described in this Section 10.6.

(3) "Claimant" is defined in Section 10.6(b)(2).

(4) "Claims Administrator" means the party designated by the Administrator to review Claims.

(5) "Notice" or "Notification" means the delivery or furnishing of information to an individual in a manner that satisfies applicable Department of Labor regulations with respect to material required to be furnished or made available to an individual.

(6) "Relevant Documents" include documents, records or other information with respect to a Claim that:

(A) Were relied upon by the Claims Administrator in making the benefit determination;

(B) Were submitted to, considered by or generated for, the Claims Administrator in the course of making the benefit determination, without regard to whether such documents, records or other information were relied upon by the Claims Administrator in making the benefit determination;

(C) Demonstrate compliance with administrative processes and safeguards required in making the benefit determination; or

(D) Constitute a statement of policy or guidance with respect to the Plan concerning the denied benefit for the Participant's circumstances, without regard to whether such advice was relied upon by the Claims Administrator in making the benefit determination.

(b) <u>Procedure for Filing a Claim</u>

In order for a communication from a Claimant to constitute a valid Claim, it must satisfy the following paragraphs (1) and (2) of this paragraph (b).

(1) Any Claim submitted by a Claimant must be in writing on the appropriate Claim form (or in such other manner acceptable to the Claims Administrator) and delivered, along with any supporting comments, documents, records and other information, to the Claims Administrator in person, or by mail postage paid, to the address for the Claims Administrator provided in the Summary Plan Description.

(2) Claims and appeals of denied Claims may be pursued by a Participant or an authorized representative of the Participant (each of whom will be referred to in this section as a “Claimant”). However, the Claims Administrator may establish reasonable procedures for determining whether an individual has been authorized to act on behalf of a Participant.

(c) Initial Claim Review

The initial Claim review will be conducted by the Claims Administrator, with or without the presence of the Claimant, as determined by the Claims Administrator in its discretion. The Claims Administrator will consider the applicable terms and provisions of the Plan and amendments to the Plan, information and evidence that is presented by the Claimant and any other information it deems relevant. In reviewing the Claim, the Claims Administrator will also consider and be consistent with prior determinations of Claims from other Claimants who were similarly situated and which have been processed through the Plan’s claims and appeals procedures within the past twenty-four (24) months.

(d) Initial Benefit Determination

(1) The Claims Administrator will notify the Claimant of the Claim Administrator’s determination within a reasonable period of time, but in any event (except as described in paragraph (2) below) within ninety (90) days after receipt of the Claim by the Claims Administrator.

(2) The Claims Administrator may extend the period for making the benefit determination by ninety (90) days if it determines that such an extension is necessary due to matters beyond the control of the Plan and if it notifies the Claimant, prior to the expiration of the initial ninety (90) day period, of circumstances requiring the extension of time and the date by which the Claims Administrator expects to render a decision.

(e) Manner and Content of Notification of Adverse Benefit Determination

(1) The Claims Administrator will provide a Claimant with written or electronic Notice of any Adverse Benefit Determination, in accordance with applicable Department of Labor regulations.

(2) The Notification will set forth in a manner calculated to be understood by the Claimant:

(A) The specific reason or reasons for the Adverse Benefit Determination;

(B) Reference to the specific provision(s) of the Plan on which the determination is based;

(C) Description of any additional material or information necessary for the Claimant to perfect the Claim and an explanation of why such material or information is necessary; and

(D) A description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following an Adverse Benefit Determination on review.

(f) Procedure for Filing a Review of an Adverse Benefit Determination

(1) Any appeal of an Adverse Benefit Determination by a Claimant must be brought to the Claims Administrator within sixty (60) days after receipt of the Notice of the Adverse Benefit Determination. Failure to appeal within such sixty (60) day period will be deemed to be a failure to exhaust all administrative remedies under the Plan. The appeal must be in writing utilizing the appropriate form provided by the Claims Administrator (or in such other manner acceptable to the Claims Administrator); provided, however, that if the Claims Administrator does not provide the appropriate form, no particular form is required to be utilized by the Participant. The appeal must be filed with the Claims Administrator at the address listed in the Summary Plan Description.

(2) A Claimant will have the opportunity to submit written comments, documents, records and other information relating to the Claim.

(g) Review Procedures for Adverse Benefit Determinations

(1) The Claims Administrator will provide a review that takes into account all comments, documents, records and other information submitted by the Claimant without regard to whether such information was submitted or considered in the initial benefit determination.

(2) The review procedure may not require more than two levels of appeals of an Adverse Benefit Determination.

(h) Timing and Notification of Benefit Determination on Review

The Claims Administrator will notify the Claimant within a reasonable period of time, but in any event within sixty (60) days after the Claimant's request for review, unless the Claims Administrator determines that special circumstances require an extension of time for processing the review of the Adverse Benefit Determination. If the Claims Administrator determines that an extension is required, written Notice will be furnished to the Claimant prior to the end of the initial sixty (60) day period indicating the special circumstances requiring an extension of time and the date by which the Claims Administrator expects to render the determination on review, which in any event will be within sixty (60) days from the end of the initial sixty (60) day period. If such an extension is necessary due to a failure of the Claimant to submit the information necessary to decide the Claim, the period in which the Claims Administrator is required to make a decision will be tolled from the date on which the notification is sent to the Claimant until the Claimant adequately responds to the request for additional information.

(i) Manner and Content of Notification of Benefit Determination on Review

(1) The Claims Administrator will provide a written or electronic Notice of the Plan's benefit determination on review, in accordance with applicable Department of Labor regulations.

(2) The Notification will set forth:

(A) The specific reason or reasons for the Adverse Benefit Determination;

(B) Reference to the specific provision(s) of the Plan on which the determination is based;

(C) A statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all Relevant Documents; and

(D) A statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following an Adverse Benefit Determination of review.

(j) Collectively Bargained Benefits

(1) Where benefits are provided pursuant to a collective bargaining agreement and such collective bargaining agreement maintains or incorporates by specific reference: (i) provisions concerning the filing of a Claim for a benefit and the initial disposition of a Claim;

and (ii) a grievance and arbitration procedure to which Adverse Benefit Determinations are subject, then Section 10.6(c) through and including Section 10.6(i) will not apply to such Claim.

(2) Where benefits are provided pursuant to a collective bargaining agreement and such collective bargaining agreement maintains or incorporates by specific reference a grievance and arbitration procedure to which Adverse Benefit Determinations are subject, then Sections 10.6(f) through and including Section 10.6(i) will not apply to such Claim.

(k) Exhaustion of Administrative Remedies

The claims procedures set forth in this Section 10.6 shall be strictly adhered to by each Participant or Beneficiary under the Plan and no judicial or arbitration proceedings with respect to any claim for Plan benefits hereunder shall be commenced by any such Participant or Beneficiary until the proceedings set forth herein have been exhausted in full.

(l) Statute of Limitations

No cause of action may be brought by a claimant who has received an Adverse Benefit Determination later than two (2) years following the date of such Adverse Benefit Determination.

ARTICLE XI

MANAGEMENT OF FUNDS

11.1 Appointment of Trustees

Subject to the provisions of Section 11.4, the Company shall appoint one or more Trustees to receive and hold in trust all contributions paid into the Trust Fund. Such Trustee or Trustees shall serve at the pleasure of the Board of Directors and shall have such rights, powers and duties as the Board of Directors shall from time to time determine including but not limited to those stated below.

11.2 Investment of Trust Fund by Trustees

All contributions made to the Trust Fund pursuant to the Plan shall be paid to the Trustees and, except as herein otherwise provided, shall be held, invested and reinvested by the Trustees without distinction between principal and income in such securities or such other property, real or personal, wherever situated, as the Trustees shall deem advisable, including, but not limited to, shares of stock, common or preferred, whether or not listed on any exchange, participations in mutual investment funds, bonds and mortgages, and other evidences of indebtedness or ownership, or in loans to Participants (consistent with other provisions hereof), and participations in any common trust fund established or maintained by the Trustees for the collective investment of fiduciary funds and shall not be limited by any state statute or judicial decision prescribing or limiting investments appropriate for trustees. The Trustees shall hold and retain all the property and assets of the Trust Fund including income from investments and from all other sources, for the exclusive benefit of the Participants and their Beneficiaries, as provided herein, and for paying the costs and expenses of administering the Plan or Trust Fund, to the extent that the same are not paid by any Employer. Reasonable expenses attendant to qualified domestic relations order determinations shall be allocated to the Account of the Participant or Beneficiary seeking the determination.

11.3 Investment of Trust Fund by Investment Manager

The Company may enter into one or more agreements for the appointment of one or more Investment Managers to supervise and direct all the investment and reinvestment of a portion or all of the Trust Fund in accordance with the provisions of the Plan in the same manner and with the same powers, duties, obligations, responsibilities and limitations as apply to the Trustees. As a condition to its appointment, an Investment Manager shall acknowledge in writing that it is a fiduciary with respect to the Trust Fund. An Investment Manager so appointed shall be an investment advisor registered under the Investment Advisors Act of 1940, a bank as defined in such Act or an insurance company that is qualified to manage the assets of employee benefit plans pursuant to the laws of more than one state. The Trustees shall be bound by the supervision and direction of the Investment Manager, unless and until the Company amends or revokes the appointment or authority of the Investment Manager.

The Company may furnish an Investment Manager with written investment guidelines for investment of the Trust Fund assets, which guidelines may include directions with respect to diversification of the investments. Any Investment Manager shall receive such reasonable compensation chargeable against the Trust Fund or payable by each Employer as shall be agreed upon by the Company. The Company may revoke any agreement with the Investment Manager at any time by thirty (30) days' written notice to the Investment Manager. Any Investment Manager may resign by thirty (30) days' written notice to the Company.

11.4 Exclusive Benefit Rule

Except as otherwise provided in the Plan, no part of the corpus or income of the assets of the Plan shall be used for, or diverted to, purposes other than for the exclusive benefit of Participants and other persons entitled to benefits under the Plan. No person shall have any interest in or right to any part of the earnings of the assets of the Plan, or any right in, or to, any part of the assets held under the Plan, except as and to the extent expressly provided in the Plan.

ARTICLE XII

AMENDMENT, MERGER, TERMINATION OF PLAN

12.1 Amendment of Plan

Subject to the provisions of Section 11.4, the Company (for the Company and for all other Employers) shall have the right at any time to amend the Plan, and retroactively if deemed necessary or appropriate, except that no such amendment shall make it possible for any part of the assets of the Plan to be used for, or diverted to, purposes other than for the exclusive benefit of persons entitled to benefits under the Plan. No amendment shall be made which has the effect of decreasing the balance of the Accounts of any Participant or of reducing the nonforfeitable percentage computed under the Plan as in effect on the date on which the amendment is adopted or, if later, the date on which the amendment becomes effective.

If the Plan’s vesting schedule is amended, or the Plan is amended in any way that directly or indirectly affects the computation of the Participant’s nonforfeitable percentage or if the Plan is deemed amended by an automatic change to or from a top-heavy vesting schedule, each Participant with at least three Years of Service with the Employer may elect, within a reasonable period after the adoption of the amendment or change, to have the nonforfeitable percentage computed under the Plan without regard to such amendment or change.

The Company reserves the right to amend the Plan, at any time and from time to time, in whole or in part, including without limitation, retroactive amendments necessary or advisable to qualify the Plan and the Trust under the provisions of Section 401(a) of the Code by action of its Board of Directors. Notwithstanding the above, the Plan may be amended to comply with technical legal requirements of ERISA or the Code or for any other reason that does not result in a material increase in cost to the Employer by a written instrument that is executed by an officer of the Company or a member of the Plan committee.

Such amendments shall be as set forth in an instrument in writing executed by an officer of the Company if adopted by the Company, or by a designated member of the Plan committee if adopted by the Plan committee. Any amendment may be current, retroactive or prospective, in each case as provided therein.

12.2 Merger or Consolidation

The Plan may not be merged or consolidated with, and its assets or liabilities may not be transferred to, any other plan unless each person entitled to benefits under the Plan would, if the resulting plan were then terminated, receive a benefit immediately after the merger, consolidation, or transfer which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation, or transfer if the Plan had then terminated.

12.3 Additional Participating Employers

(a) If any company is or becomes a subsidiary of or associated with the Company, the Company may include any employees of that subsidiary or associated company in the participation of the Plan upon appropriate action by that company necessary to adopt the Plan. In that event, or if any persons become Employees of an Employer as the result of merger or consolidation or acquisition of all or part of the assets or business of another company or for purposes of a specific assignment at a specific location, the Company shall determine to what extent, if any, previous service with the subsidiary, associated or other company or at the specific location shall be recognized under the Plan, but subject to the continued qualification and tax-exempt status of the Plan and trust, respectively, under the Code.

(b) Any Employer may terminate its participation in and withdraw from the Plan upon appropriate action by its board of directors. In that event, the assets of the Plan held on account of Participants in the employ of that Employer, and any unpaid balances of the Accounts of all Participants who have separated from the employ of that Employer, shall be determined by the Administrator. Those funds shall be distributed as provided in Section 12.4 if the Plan should be terminated with respect to the Employer, or shall be segregated by the Trustee as a separate trust, pursuant to certification to the Trustee by the Administrator, continuing the Plan as a separate plan for the Employees of that Employer under which the board of directors of that Employer shall succeed to all the powers and duties of the Company, including the appointment of an administrator for such separate plan.

12.4 Termination of Plan

(a) The Board of Directors may terminate the Plan or completely discontinue contributions under the Plan for any reason at any time. In the case of the termination or partial termination of the Plan, or of the complete discontinuance of Employer contributions to the Plan, affected Participants shall be one hundred percent (100%) vested in and have a nonforfeitable right to the total amount in all of their Accounts under the Plan as of the date of the termination or discontinuance. The total amount in each Participant's Account shall be distributed, as the Administrator shall direct, to him or for his benefit or continued in trust for his benefit.

(b) The Plan will be deemed terminated (1) if and when the Company is judicially declared bankrupt or executes a general assignment to or for the benefit of its creditors, (2) if and when the Company is a party to a merger in which it is not the surviving organization unless the surviving organization adopts the Plan within sixty (60) days after the merger, or (3) upon dissolution of the Company.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

13.1 Limitation of Liability

Neither the Company, any Employer, the Administrator, nor any of their respective directors, officers and employees, shall incur any liability for any act or failure to act unless such act or failure to act constitutes willful misconduct or gross negligence in relation to the Plan or the Trust Fund.

13.2 Indemnification

The Employer indemnifies and saves harmless the Administrator from and against any and all loss resulting from liability to which the Administrator may be subjected by reason of any act or conduct (except willful misconduct or gross negligence) in the Administrator’s official capacity in the administration of the Plan, the Trust Fund or both, including all expenses reasonably incurred in the Administrator’s defense, in case the Employer fails to provide such defense. The indemnification provisions of this Section 13.2 do not relieve the Administrator from any liability under ERISA for breach of a fiduciary duty. Furthermore, the Administrator and the Employer may execute a letter agreement further delineating the indemnification agreement of this Section 13.2, provided the letter agreement is consistent with and does not violate ERISA. The indemnification provisions of this Section 13.2 extend to the Trustee solely to the extent provided by a letter agreement executed by the Trustee and the Employer.

The Plan may purchase insurance for its fiduciaries or for itself to cover liability or losses occurring by reason of the act or omission of a fiduciary, if such insurance permits recourse by the insurer against the fiduciary in the case of a breach of a fiduciary obligation by such fiduciary. A fiduciary may purchase insurance to cover liability under ERISA from and for his own account. An Employer or an employee organization may purchase insurance to cover potential liability of one or more persons who serve in a fiduciary capacity with regard to the Plan.

13.3 Compliance with ERISA

Anything herein to the contrary notwithstanding, nothing above or any other provision contained elsewhere in the Plan shall relieve a fiduciary or other person of any responsibility or liability for any responsibility, obligation or duty imposed upon him pursuant to Title I, Part 4 of ERISA. Furthermore, anything in the Plan to the contrary notwithstanding, if any provision of the Plan is voided by Sections 410 and 411 of ERISA, such provision shall be of no force and effect only to the extent that it is voided by such Section.

13.4 Nonalienation of Benefits

(a) None of the payments, benefits or rights of any Participant shall be subject to any claim of any creditor of such Participant and, in particular, shall be free from attachment, garnishment, trustee's process, or any other legal or equitable process available to any creditor of such Participant. No Participant shall have the right to alienate, commute, pledge, encumber or assign any of the benefits or payments which he or she may expect to receive, contingently or otherwise, under the Plan, except the right to designate a Beneficiary or Beneficiaries as hereinbefore provided.

(b) Section 13.4(a) also shall apply to the creation, assignment or recognition of a right to any benefit payable with respect to a Participant pursuant to a domestic relations order, unless such order is a qualified domestic relations order as defined in Section 414(p) of the Code. Any fees associated with the review, processing and administration of a qualified domestic relations order shall be charged against the Account of the affected Participant and the account of the affected Alternate Payee. The Plan's qualified domestic relations order procedures are set forth in a separate document, which in incorporated herein as if its terms were fully set forth in this document. A domestic relations order shall not fail to be a qualified domestic relation order solely because (i) the order is issued after, or revises, another domestic relations order or qualified domestic relation order, or (ii) of the time at which it is issued.

(c) The Plan may offset against the Account of any Participant, any amount that the Participant is ordered or required to pay under a judgment, order, decree or settlement described in ERISA Section 206(d)(4) and Section 401(a)(13)(C) of the Code.

13.5 Employment Not Guaranteed By Plan

Neither the establishment of the Plan nor its amendment nor the granting of a benefit pursuant to the Plan shall be construed as giving any Participant the right to continue as an Employee of an Employer, as limiting the rights of such Employer to dismiss or impose penalties upon the Participant or as modifying in any other way the terms of employment of any Participant.

13.6 Protected Benefits

All benefits which are protected by the terms of Section 411(d)(6) of the Code and Section 204(g) of ERISA, which cannot be eliminated without adversely affecting the qualified status of the Plan on and after the Effective Date, will be provided under the Plan to Participants for whom such benefits are protected.

13.7 Form of Communication

Any election, application, claim, notice or other communication required or permitted to be made by or to a Participant, the Administrator, the Company, or an Employer in writing shall be made in such form as the Administrator, the Company or the Employer, as the case may be, shall prescribe. Such communication shall be effective upon mailing if sent first class, postage prepaid and addressed to the addressee at its principal office, or to the Participant at his last known address, or upon personal delivery, if delivered to an officer of the addressee or to the Participant, as the case may be.

Notwithstanding anything in the Plan to the contrary, any notice, form or other communication hereunder shall be made in the manner prescribed by the Administrator in accordance with applicable law, which may include, in appropriate circumstances, communication by telephone or by electronic or other means.

13.8 Facility of Payment

If the Participant entitled to receive payments hereunder is unable to care for his affairs because of illness, accident or disability, and a duly qualified guardian or legal representative is appointed for such Participant, the Administrator shall direct the Trustees to pay any amount to which the Participant is entitled to such duly qualified guardian or legal representative upon claim of such guardian or legal representative. If a duly qualified guardian or legal representative is not appointed for such Participant, the Administrator shall direct the Trustees to pay any amount to which the Participant is entitled to such person's Spouse, child, grandchild, parent, brother or sister or to a person deemed by the Administrator to have incurred expense for such person entitled to payment. Any payment made pursuant to this Section 13.8 in good faith shall be a payment for the account of the Participant and shall be a complete discharge from any liability of the Trust Fund or the Trustees therefor.

13.9 Reduction for Overpayment

The Administrator will, whenever it determines that a person has received a benefit payment under the Plan in excess of the amount to which the person is entitled under the terms of the Plan, make a reasonable attempt to collect such overpayment from the person. The amount of any overpayment may be set off against further amounts payable to or on account of the person who received the overpayment.

13.10 Unclaimed Benefits

If the Administrator cannot ascertain the whereabouts of any person to whom a payment is due under the Plan, and if, after five (5) years from the date such payment is due, a notice of such payment due is mailed to the last known address of such person, as shown on the records of the Employer and within three (3) months after such mailing such person has not made written claim therefor, the Administrator, if it so elects, after receiving advice from counsel to the Plan, may direct that such payment and all remaining payments otherwise due to such person be cancelled on the records of the Plan and the amount thereof applied in any manner permitted by Section 6.3, and upon such cancellation, the Plan and the Trust shall have no further liability therefor except that, in the event such person later notifies the Administrator of his whereabouts and requests the payment or payments due to him, the amount so applied shall be paid to him as provided in Article VIII without adjustment for gains and losses.

13.11 Receipt and Release

Subject to the provisions of ERISA and to the extent permitted by ERISA, any final payments or distribution to any Participant, his Beneficiary or his legal representative in accordance with the Plan shall be in full satisfaction of all claims against the Trust, the Trustee, the Administrator, and the Employer. The Trustee, the Employer, the Administrator, or any combination of them may require a Participant, his Beneficiary or his legal representative to execute a receipt and release of all claims under the Plan upon a final payment or distribution or a receipt to the extent of any partial payment or distribution; and the form of any such receipt and release shall be determined by the Trustee, the Employer, the Administrator or any combination of them.

13.12 Reliance on Information Provided to the Plan

Notwithstanding anything contained herein to the contrary, if an individual is provided a statement in confirmation of any election or information provided to the Plan by such individual hereunder, the election or information reflected on such confirmation statement will be deemed to be accurate and may be conclusively relied upon for all purposes hereunder unless the individual timely demonstrates to the Administrator, in the form and manner established by the Administrator, that the election or information reflected on the confirmation statement is not what the individual originally delivered to the Administrator.

13.13 Service in More Than One Fiduciary Capacity

Any individual, entity or group of persons may serve in more than one fiduciary capacity with respect to the Plan, the Trust Fund or both.

13.14 Binding Effect of Company's Actions

Each Employer shall be bound by any and all decisions and actions taken by the Company hereunder.

13.15 Military Service

Notwithstanding any other provision of the Plan to the contrary, service credit and contributions with respect to qualified Military Service will be provided in accordance with Section 414(u) of the Code.

13.16 Limitation of Rights

All benefits provided hereunder shall be provided solely from the Trust and a person claiming an interest under the Plan shall not have recourse towards satisfaction of his or her benefits from other than the assets of the Trust. Neither the Employer nor the Administrator represents or guarantees that the value of a Participant's Accounts shall at any time equal or exceed the amount previously contributed thereto. Neither the establishment of the Plan and Trust nor any modification thereof, nor the creating of any fund or account, nor the payment of any benefits shall be construed as giving to any Participant or other person any legal or equitable right against the Employer or the Trustee except as provided in the Plan and Trust Agreement.

13.17 Governing Law

Except to the extent inconsistent with and preempted by ERISA or other applicable Federal law, the Plan and all matters arising thereunder shall be governed by the laws of the State of California. If any provision of the Plan is susceptible to more than one interpretation, such interpretation shall be given thereto as is consistent with the Plan being a qualified employees' defined contribution plan within the meaning of the Code.

IN WITNESS WHEREOF, and as evidence of the adoption of the Plan, the undersigned officer duly authorized has appended his signature this 24th day of January, 2013.

INGRAM MICRO INC.

By: */s/ Robyn Tingley*

Robyn Tingley

Title: Vice President, HR, Americas

Exhibit 12.1

Ingram Micro Inc.
Computation of Ratio of Earnings to Fixed Charges
(Dollars in 000s, except ratios)

	Fiscal Year Ended				
	December 28, 2013	December 29, 2012	December 31, 2011	January 1, 2011	January 2, 2010
Fixed charges:					
Interest expense and amortized premiums, discounts and capitalized expenses related to indebtedness	$ 59,165	$ 55,690	$ 52,509	$ 39,259	$ 28,177
Estimated interest within rental expense (A)	37,903	32,223	31,242	29,828	41,610
Total fixed charges	$ 97,068	$ 87,913	$ 83,751	$ 69,087	$ 69,787
Earnings:					
Income before income taxes	436,099	396,184	387,871	438,061	269,248
Fixed charges	97,068	87,913	83,751	69,087	69,787
Total earnings	$ 533,167	$ 484,097	$ 471,622	$ 507,148	$ 339,035
Ratio of earnings to fixed charges	5.5	5.5	5.6	7.3	4.9

(A) Interest is estimated at 33% of rental charges, which considers the mix of building and equipment rental and assumption of average debt service cost over the assumed life of the related property

Exhibit 21.1

INGRAM MICRO INC.,
a Delaware Corporation
Global Subsidiaries as of December 28, 2013

	Name of Subsidiary	**Jurisdiction**
1.	AVAD LLC	Delaware
2.	Brightpoint, Inc.	Indiana
3.	Brightpoint Device Engineering Services LLC	Indiana
4.	Brightpoint Eclipse LLC	Indiana
5.	Wireless Fulfillment Services Holdings, Inc.	Delaware
6.	Wireless Fulfillment Services LLC	California
7.	Brightpoint Services, LLC	Indiana
8.	Brightpoint North America, Inc.	Indiana
9.	Brightpoint North America L.P.	Delaware
10.	2601 Metropolis LLC	Indiana
11.	501 Airtech Parkway LLC	Indiana
12.	Actify LLC	Indiana
13.	Brightpoint Allpoints LLC	Indiana
14.	Brightpoint Distribution LLC	Indiana
15.	Brightpoint Latin America LLC	Indiana
16.	Brightpoint de Mexico S.A. de C.V.	Mexico
17.	Brightpoint Solutions de Mexico S.A. de C.V.	Mexico
18.	Brightpoint North America Services LLC	Indiana
19.	Touchstone Acquisition LLC	Indiana
20.	Touchstone Wireless Repair and Logistics, LP	Pennsylvania
21.	Touchstone Wireless Latin America LLC	Puerto Rico
22.	Brightpoint International Ltd.	Delaware
23.	Brightpoint Philippines Limited	British Virgin Islands
24.	Brightpoint Thailand, Inc.	Indiana
25.	BPGH LLC	Indiana
26.	Brightpoint Global Holdings II, Inc.	Indiana
27.	Brightpoint (Luxembourg) Sárl	Luxembourg
28.	Brightpoint Switzerland S.A.	Switzerland
29.	Brightpoint EUROPCO B.V.	The Netherlands
30.	Brightpoint Europe ApS	Denmark
31.	Ingram Micro Mobility Denmark A/S	Denmark
32.	Brightpoint France SAS	France
33.	Brightpoint Germany Operations GmbH	Germany
34.	Brightpoint Italy Srl. in liquidazione	Italy
35.	Brightpoint Global Holdings C.V.	The Netherlands
36.	Ingram Micro Slovakia, s.r.o.	Slovakia
37.	CloudBlue Technologies, Inc.	Delaware
38.	DBL Distributing LLC	Delaware
39.	VPN Dynamics, Inc.	Delaware
40.	Ingram Micro Philippines BPO LLC	Delaware

Exhibit 21.1

INGRAM MICRO INC.,
a Delaware Corporation
Global Subsidiaries as of December 28, 2013

	Name of Subsidiary	**Jurisdiction**
41.	Ingram Micro CLBT LLC	Delaware
42.	Ingram Micro CLBT	Pennsylvania
43.	Ingram Micro Delaware Inc.	Delaware
44.	Ingram Micro L.P.	Tennessee
45.	Ingram Micro Texas L.P.	Texas
46.	Ingram Micro Singapore Inc.	California
47.	Ingram Micro Texas LLC	Delaware
48.	Computek Enterprises (U.S.A.) Inc.	Florida
49.	Ingram Export Company Ltd.	Barbados
50.	Ingram Micro Oy	Finland
51.	Ingram Micro (Thailand) Ltd	Thailand
52.	Ingram Micro Logistics Inc.	Cayman Islands
53.	CIM Ventures Inc.	Cayman Islands
54.	Export Services Inc.	California
55.	Securematics, Inc.	California
56.	Ingram Micro SB Inc.	California
57.	Ingram Micro Americas Inc.	California
58.	Ingram Micro Mexico LLC	Indiana
59.	Ìngram Micro Compañia de Servicios, S.A. de C.V.	Mexico
60.	Ingram Micro Mexico, S.A. de C.V.	Mexico
61.	Ingram HoldCo SRL de C.V.	Mexico
62.	Ingram Funding Inc.	Delaware
63.	Ingram Micro Asia Pacific Pte. Ltd	Singapore
64.	Ingram Micro Lanka (Private) Limited	Sri Lanka
65.	Tech Pacific (Thailand) Co., Ltd	Thailand
66.	Ingram Micro Management Company	California
67.	Ingram Micro Global Holdings C.V.	The Netherlands
68.	Ingram Micro Holdings (Australia) Pty Ltd	Australia
69.	Ingram Micro Pty Ltd	Australia
70.	Ingram Micro Australia Pty Ltd	Australia
71.	Brightpoint Australia Pty Ltd	Australia
72.	Ingram Micro Inc.	Ontario, Canada
73.	AVAD Canada Ltd.	Canada
74.	Ingram Micro Holdco Inc.	Ontario, Canada
75.	Ingram Micro LP	Ontario, Canada
76.	Ingram Micro Logistics LP	Ontario, Canada
77.	SoftCom Group Inc.	Ontario, Canada
78.	SoftCom Inc.	Ontario, Canada
79.	SoftCom America, Inc.	Delaware
80.	SoftCom Bilişim Hizmetleri ve Ticaret A.Ş.	Turkey
81.	Ingram Micro Latin America & Caribbean LLC	Delaware
82.	Ingram Micro Chile, S.A.	Chile

Exhibit 21.1

INGRAM MICRO INC.,
a Delaware Corporation
Global Subsidiaries as of December 28, 2013

	Name of Subsidiary	**Jurisdiction**
83.	Ingram Micro Peru, S.A.	Peru
84.	Ingram Micro SAS	Colombia
85.	Ingram Micro SSC (Costa Rica) Ltda.	Costa Rica
86.	Ingram Micro New Zealand Holdings	New Zealand
87.	Brightpoint New Zealand Limited	New Zealand
88.	Tech Pacific Holdings (NZ) Limited	New Zealand
89.	Ingram Micro (NZ) Limited	New Zealand
90.	Ingram Micro Global Holdings S.a.r.l.	Luxembourg
91.	Ingram Micro Global Holdings LLC	Indiana
92.	Ingram Micro Management Company SCS	Luxembourg
93.	Ingram Micro WW Holdings Sarl	Luxembourg
94.	Ingram Micro India Limited	India
95.	Ingram Micro (India) Exports Pte Ltd	Singapore
96.	Ingram Micro Mobility Solutions Limited	India
97.	Ingram Micro Latin America	Cayman Islands
98.	Ingram Micro Argentina, S.A.	Argentina
99.	Ingram Micro Brasil Ltda.	Brazil
100.	Ingram Micro Tecnologia E Informatica Ltda	Brazil
101.	Ingram Micro Caribbean	Cayman Islands
102.	Ingram Micro Luxembourg Sarl	Luxembourg
103.	Ingram Micro Finance Luxembourg Sarl	Luxembourg
104.	Ingram Micro (Europe) PTE Ltd	Singapore
105.	Ingram Micro Coordination Center BVBA	Belgium
106.	Ingram Micro Europe BVBA	Belgium
107.	Ingram Micro SAS	France
108.	Ingram Micro AB	Sweden
109.	Ingram Micro GmbH	Switzerland
110.	Ingram Micro Holding GmbH	Germany
111.	Ingram Micro Pan Europe GmbH	Germany
112.	Ingram Micro Distribution GmbH	Germany
113.	Ingram Micro Israel Ltd	Israel
114.	Ingram Micro ApS	Denmark
115.	Ingram Micro AS	Norway
116.	Bright Creative Communications BV	The Netherlands
117.	Ingram Micro Europe GmbH	Germany
118.	Ingram Macrotron GmbH	Germany
119.	Ingram Micro Administration GmbH	Germany
120.	Macrotron Process Technologies GmbH	Germany
121.	Ingram Micro Portugal LDA	Portugal
122.	Ingram Micro Singapore Holdings S.a.r.l.	Luxembourg
123.	Ingram Micro Asia Ltd.	Singapore
124.	Brightpoint International (Malaysia) Sdn. Bhd.	Malaysia

INGRAM MICRO INC.,
a Delaware Corporation
Global Subsidiaries as of December 28, 2013

	Name of Subsidiary	**Jurisdiction**
125.	Platinum Waves Wireless Sdn. Bhd.	Malaysia
126.	Megawave Pte Ltd	Singapore
127.	Ingram Micro Singapore (Indo-China) Pte Ltd	Singapore
128.	PT Ingram Micro Indonesia	Indonesia
129.	Ingram Micro Malaysia Sdn Bhd	Malaysia
130.	Ingram Micro Holding (Thailand) Ltd	Thailand
131.	Ingram Micro Hong Kong (Holding) Ltd	Hong Kong
132.	Ingram Micro (China) Ltd	Hong Kong
133.	Ingram Micro (China) Holding & Commercial Co. Ltd.	China
134.	Ingram Micro Trading (Shanghai) Co. Ltd.	China
135.	Shanghai Ingram Micro Logistics Co., Ltd.	China
136.	Shanghai Ingram Micro IT Services Co., Ltd.	China
137.	Ingram Micro Cloud Computing Solution Co., Ltd.	China
138.	Ingram Micro International Trading (Shanghai) Co., Ltd.	China
139.	Tech Pacific (N.Z.) Ltd	New Zealand
140.	Techpac Holdings Limited	Bermuda
141.	Tech Pacific Asia Limited	British Virgin Islands
142.	Tech Pacific (H.K.) Limited	Hong Kong
143.	First Tech Pacific Distributors Sdn Bhd	Malaysia
144.	Tech Pacific Inc.	Philippines
145.	Tech Pacific Mauritius Limited	Mauritius
146.	Techpac Mauritius Limited	Mauritius
147.	Surajami Investment & Trading Co. Ltd	India
148.	Aptec Holdings Limited	Dubai Itnl Financial Centre
149.	A Advanced Logistics Services LLC	United Arab Emirates
150.	Advanced Technology Services FZ LLC	Dubai Internet City Free Zone
151.	Aptec Distribution FZ LLC	Dubai Internet City Free Zone
152.	Track Distribution Middle East LLC	United Arab Emirates
153.	Aptec Holding Egypt LLC	Egypt
154.	Aptec Egypt LLC	Egypt
155.	Aptec Lebanon SAL	Lebanon
156.	Notegarden Limited	England and Wales
157.	Aptec Distribution (SA) Ltd.	British Virgin Islands
158.	Aptec Bilgsayar	Turkey
159.	Track Distribution Middle East FZ LLC	Dubai Internet City Free Zone
160.	Ingram Micro SSC EMEA EOOD	Bulgaria
161.	Ingram Micro BVBA	Belgium
162.	Ingram Micro SL	Spain
163.	Ingram Micro GmbH	Austria
164.	Ingram Micro BV	The Netherlands
165.	Ingram Micro Holdings Ltd	UK
166.	Ingram Micro (UK) Ltd	UK

Exhibit 21.1

INGRAM MICRO INC.,
a Delaware Corporation
Global Subsidiaries as of December 28, 2013

	Name of Subsidiary	**Jurisdiction**
167.	Ingram Micro Magyarorszag Kft	Hungary
168.	Ingram Micro SRL	Italy
169.	Brightpoint Holdings B.V.	The Netherlands
170.	Axess Communication Sp. z o. o	Poland
171.	Ingram Micro Southern Africa (Proprietary) Limited	South Africa
172.	Ingram Micro Mobility Austria Holding GmbH	Austria
173.	Ingram Micro Mobility Austria GmbH	Austria
174.	Brightpoint Costa Rica Limitada	Costa Rica
175.	Brightpoint EMEA Enterprise Limited	Great Britain
176.	Brightpoint European Regional Services, S.L.U.	Spain
177.	Eclipse Support, S.L.U.	Spain
178.	Grupo Busc Person Telecomunicaciones S.L.U.	Spain
179.	Brightpoint Spain S.L.U.	Spain
180.	Busc Person Canarias S.L.U.	Spain
181.	Brightpoint Finland Oy	Finland
182.	Brightpoint Germany Holding GmbH	Germany
183.	Brightpoint Germany GmbH	Germany
184.	Brightpoint GmbH	Germany
185.	Brightpoint Great Britain Limited	Great Britain
186.	Brightpoint India Private Limited	India
187.	Brightpoint International (Hong Kong) Limited	Hong Kong
188.	Brightpoint Netherlands B.V.	The Netherlands
189.	Brightpoint Nordic AB	Sweden
190.	Ingram Micro Mobility AS	Norway
191.	Moobi Norway AS	Norway
192.	Brightpoint Pakistan (Pvt.) Limited	Pakistan
193.	Ingram Micro Philippines, Inc.	Philippines
194.	Ingram Micro Poland Sp. z o.o.	Poland
195.	Brightpoint RUS LLC	Russia
196.	Brightpoint Senegal SARL	Senegal
197.	Brightpoint Singapore Pte. Ltd.	Singapore
198.	Brightpoint Sub Saharan Africa (Proprietary) Limited	South Africa
199.	Brightpoint Sweden Holding AB	Sweden
200.	Brightpoint Sweden AB	Sweden
201.	Brightpoint Vietnam LLC	Vietnam
202.	Dangaard Telecom Portugal, Unipessoal, Lda.	Portugal
203.	Persequor Limited	British Virgin Islands
204.	Persequor Holdings I Ltd.	British Virgin Islands
205.	Brightpoint Middle East FZE	United Arab Emirates
206.	Sequor Systems Ltd.	British Virgin Islands
207.	Brightpoint Solutions FZE	United Arab Emirates
208.	ProMark Technology, Inc.	Maryland

Exhibit 21.1

INGRAM MICRO INC.,
a Delaware Corporation
Global Subsidiaries as of December 28, 2013

	Name of Subsidiary	**Jurisdiction**
209.	Shipwire, Inc.	Delaware

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-39457, 333-168859 and 333-183108) and Form S-8 (Nos. 333-23821, 333-23823, 333-23825, 333-23827, 333-43447, 333-52807, 333-52809, 333-39780, 333-105711, 333-161976 , 333-174821 and 333-189161) of Ingram Micro Inc. of our report dated February 18, 2014 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Orange County, California
Dated: February 18, 2014

EXHIBIT 31.1

CERTIFICATION BY PRINCIPAL EXECUTIVE OFFICER (SOX 302)

I, Alain Monié, certify that:

1. I have reviewed this annual report on Form 10-K of Ingram Micro Inc.;

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.

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: February 18, 2014

/s/ Alain Monié

Name:	Alain Monié
Title:	Chief Executive Officer (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION BY PRINCIPAL FINANCIAL OFFICER (SOX 302)

I, William D. Humes, certify that:

1. I have reviewed this annual report on Form 10-K of Ingram Micro Inc.;

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.

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: February 18, 2014

/s/ William D. Humes

Name:	William D. Humes
Title:	Chief Financial Officer (Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The certification set forth below is being submitted in connection with the report on Form 10-K of Ingram Micro Inc. (the “Report”) for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Alain Monié, the Chief Executive Officer and William D. Humes, the Chief Financial Officer of Ingram Micro Inc., each certifies that, to the best of his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Ingram Micro Inc.

Date: February 18, 2014

/s/ Alain Monié

Name: Alain Monié

Title: Chief Executive Officer

/s/ William D. Humes

Name: William D. Humes

Title: Chief Financial Officer