

## Business Account Agreement (BAA)

### Important Information about Procedures for Opening a New Business Account:

**Federal law requires us to obtain, verify, and record information that identifies everyone who opens an account. This is required to help in the government's fight against terrorism and money laundering activities. This also protects you against fraud. This means that when we process the application we are required to ask for your business name, physical address, federal tax ID number, and other information that will allow us to verify the identity of the business. If the nature of your business requires us to look for your personal guaranty, in addition to your business' credit bureau report, a personal credit bureau report will be obtained, and we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license, passport, or other identifying documents.**

### Business Account Agreement

**General:** Each person signing and submitting, or electronically or telephonically submitting the application for a Business Account ("Account") applies for an Account with Acorn IT Group Retail Credit. In this Agreement, the words "you" and "yours" refer to the Client applying for an Account, the words "we," "us" and "our" refer to Acorn IT Group Retail Credit, and the word "Seller" refers to various divisions, subsidiaries, and related companies of the Acorn IT Group. For programs whereby Acorn IT Group Retail Credit delivers a credit card that may be used to access an Account, the word "User" refers to any person using the Account with the express or implied permission of you. For programs whereby Acorn IT Group Retail Credit provides a line of credit without a credit card that may be used to access an Account, the word "User" refers to any person using the Account. If we accept your application to open an Account, we will extend credit and make advances so that you may purchase goods and services for business purposes from the Seller.

**Acceptance of Agreement:** All Users are bound by the terms of this Agreement.

**Promise to Pay:** You agree to pay in U.S. Dollars ("USD") for all purchases, late fees, overlimit fees, return check charges, and other charges or fees under this Agreement incurred by you or any User, plus collection costs, including court costs and reasonable attorney fees.

**Business Purpose:** By signing and submitting, or electronically or telephonically submitting the Application, you represent that (1) the Client is (a) a valid business entity in good standing under the laws of the jurisdiction of its organization; or (b) a qualified religious, educational or other non-profit entity; or (c) a government agency or instrumentality; or (d) a sole proprietorship; (2) this Application is executed by a duly authorized representative of the Client; (3) the Client has authorized the person

signing this Application to execute this Application and enter into this contractual agreement on its behalf; and (4) this Account will be used for business purposes only as defined in the Truth-in-Lending Act and Regulation Z and that purchases under this Account are not subject to the Truth-in-Lending Act or state statutes governing consumer credit purchases for personal, family, or household purposes.

**Credit Line:** You agree that we may establish a credit line for your convenience and that your credit purchases, at any one time, will not exceed the amount of your credit line established by us. You will be advised of your credit line when your Account is approved. You agree that we may terminate or reduce your credit line at any time.

**General Payment Terms:** Payments received after 1:00 pm will be credited on the next business day. All payments must be accompanied by the completed remittance portion of your invoice(s) or billing statement. If you send us a communication concerning a disputed debt, including an instrument tendered as full satisfaction of a debt such as a payment marked "paid in full" or similar notation, send it only to: Acorn IT Group Retail Credit, P.O. Box 661343, Sacramento, CA 95866-1343.

**Payments by Cash:** You agree that any payment may be returned to you if your payment is (i) not made in U.S. Dollars or (ii) is not accepted upon presentment. Cash payments are accepted in-person and for amounts up to \$250.00. With prior approval and satisfactory payment history, clients may arrange cash payments of up to \$5,000 per day. Payments made in cash for current account balances are eligible for the Cash Discount pricing if such pricing is offered by the Seller.

### Payments by Check or Money Order:

You agree that any payment may be returned to you if your check is (i) not drawn on U.S. Dollars on deposit in the U.S.; (ii) missing a signature; (iii) drawn with different numeric and written amounts; (iv) endorsed with a restrictive endorsement; (v) postdated; (vi) drawn on a credit account issued by us or our affiliates; or (vii) not paid on presentment. Payment checks must include your account number written on the face of the check; otherwise your payment may not be properly credited to your account and it may be returned to you. Acceptance of a check or money order is solely at our discretion. Payments made by check or money order for current account balances are eligible for the Cash Discount pricing if such pricing is offered by the Seller.

### Payments by Credit or Debit Card or Electronic Payments:

You agree that any payment may not be processed if your payment (i) is not able to be converted to U.S. Dollars; (ii) cannot be preauthorized; (iii) fails standard address or fraud prevention verification; (iv) is specified with incorrect amounts; (v) is endorsed or noted with a restrictive endorsement; (vi) is postdated; (vii) is drawn on a credit account issued by us or our affiliates; (viii) is not made using a currently accepted payment method; or (ix) is not paid on presentment. Payments made with PayPal are the only payment method for which we accept payment in funds other than U.S. Dollars. Credit and debit cards will be charged in U.S. Dollars, and any necessary conversion into U.S. Dollars will be handled by the card processing company subject to its standard rates and conditions.

If a current card authorization form is on file with us ("Card On-File"), no additional authorization is required to process payment on any amount due to us using the Card On-File. Payment by any other credit or debit card must be accompanied by the completed remittance portion of your invoice(s) or billing statement and you must provide (i) the name of the cardhold-

## Network Integration and Support for Smaller Organizations

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er, (ii) the account number of the card, (iii) the 3 or 4 digit verification code for the card, (iv) the expiration date of the card, and (v) the signature of the cardholder; otherwise your payment will not be processed.

Payments made by credit or debit card for current account balances are **NOT** eligible for Cash Discount pricing, **even if discounted pricing was previously stated by the Seller and accepted by you.** In the event that Cash Discount prices appear on quotations, sales orders, invoices, statements or other transactional documents and payment is made by credit or debit card instead of by cash, check, or money order, **you agree to an automatic adjustment of prices to higher, non-discounted amounts.** The total increase will exceed the Cash Discount Adjustment amount because such an increase also affects sales tax liabilities and finance charges. You specifically agree to pay, in total, the higher amount due, even if your signature appears on documents indicating a lower total amount will be charged. Further, you agree to pay a processing fee of \$25.00 per occurrence if you dispute the higher charges with your account provider and we incur chargeback or other fees due to your actions.

**Due Date:** Amounts due are payable immediately and are due by 1:00 pm on the listed due date, unless the due date falls on a weekend or Federal holiday, in which case, payment must be received by 1:00 pm the following business day.

**Offsetting Debts:** We reserve the right to offset any amount or credit a Seller or we may owe you, up to the full amount of any amounts you owe us. Such an offset shall be considered acceptable in lieu of payment for all debts incurred by us toward you.

**Automatic Transfers and Payments:** If your Account is current and your credit line is adequate, balances on open sales orders and invoices remaining unpaid after their due dates will be transferred to your Account. If your Account is not current or your credit line is unable to accept the total open balance, the unpaid balance will be billed to your Card On-File. Your card will be charged for the full, non-discounted amount due less the amount transferred to your Account. If the charge is successful, the sales order or invoice will be considered paid on time. If the charge is declined or reversed, your Account will be considered past due, Late Payment Fees will accrue, work will cease, and pending orders will be held or cancelled until your Account is brought current. You grant us

the right to continue charging any Card On-File at regular intervals, in full or in part, until all past due amounts and accruing finance charges are paid in full.

**Minimum Monthly Payment:** You agree to pay a Minimum Monthly Payment in an amount (rounded to the next highest dollar) which is the greater of: (1) 1/12th of the balance as shown on your billing statement, or (2) \$250.00. When your balance is less than \$250.00, the Minimum Monthly Payment will be your balance. At any time you may pay the entire New Balance shown on your billing statement, but each month you must pay at least the Minimum Monthly Payment by the payment due date indicated on such billing statement.

**Late Payment Fee:** If you fail to pay the Minimum Monthly Payment when due, you agree to pay a Late Payment Fee of \$25.

**Return Check Fee:** If you make a payment with a check that is dishonored or returned for insufficient funds, you agree to pay a fee of \$20 for each such check.

**Overlimit Fee:** If you make a purchase that causes your balance to exceed your credit limit, you agree to pay a fee of \$25 for each such occurrence.

**Documentation Fees:** If you ask us to send you a copy of a sales slip, billing statement or other document, we may charge you the following fees: (i) Billing statement: \$5 per copy; (ii) Sales/credit slip: \$5 per copy; (iii) Payment instrument: \$5 per copy; (iv) Research fee: \$15 per hour (including payment histories). We reserve the right to change the fee schedule from time to time. You may call Customer Service for a current fee schedule.

**Personal Guaranty:** Guarantor waives any and all notices regarding this Guaranty and the Account. Guarantor consents to and waives any and all notices regarding the release the whole or any part of the indebtedness, the settlement or compromise of differences, the acceptance or release of security or any other form of obligation for the Client's indebtedness, and anything whatsoever, whether or not specified in this paragraph, which may be done or waived by or between us and the Client or the Client's representatives or other creditors in a bankruptcy proceeding or under any other circumstances. The obligation of Guarantor is primary and unconditional, and covers all existing and future indebtedness the Client to us. This obligation shall be enforceable before or after proceeding against the Client or against any

security held by us and shall be effective regardless of the solvency or insolvency of the Client at any time, the extension or modification of the indebtedness of the Client by operation of law, or the subsequent incorporation, reorganization, merger or consolidation of the Client, or any other change in the Client. This Guaranty does not create an obligation of us to extend or continue to extend credit to Client. Our records relating to the Account shall be admissible in evidence in any action or proceeding involving this Guaranty and the records shall be prima facie proof of the items therein set forth. This Guaranty shall for all purposes be deemed to be made in and shall be governed by the law of the State of Nevada. This Guaranty shall be binding upon Guarantor, his or her legal representatives, and assigns and shall inure to the benefit of us and our successors and assigns. Guarantor acknowledges that he or she is an owner of, or partner in, as applicable, the Client and further acknowledges receipt of consideration for this Guaranty.

**Application of Payments:** We may apply your payments in any order determined by us.

**Security:** (Except in Montana and New York): You are giving us and we are retaining a purchase money security interest under the Uniform Commercial Code in the goods being purchased under this Agreement until the debt for the goods is paid in full. This permits us, under certain circumstances as provided by law, to take back, or repossess, the goods if you default under the terms of this Agreement.

**Default:** The following are events of default under this Agreement: (a) You do not pay any payment when due. (b) You make any false or misleading statement on your credit application or fail to supply us with updated financial statements within 30 days of our request. (c) You file for bankruptcy or a bankruptcy petition is filed against you. (d) Any natural person guaranteeing payment of this Agreement dies, declares bankruptcy or has a bankruptcy petition filed against him or her. (e) There is an event that occurs which in our reasonable discretion causes the prospect of payment by you to be significantly impaired. (f) The goods securing this Agreement are lost or destroyed. (g) You breach any other terms of this Agreement.

In the event of default, we may demand the entire unpaid balance be paid immediately. If you are in default and we refer your Account to an attorney and/or collection agency for collection, we may charge you our collection costs, including court costs and reasonable attorneys'

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fees, when and as permitted by applicable law. We also reserve our rights and remedies pertaining to repossession and resale of any repossessed goods as provided under applicable law. We agree to pay you the surplus, if any, resulting from a resale of repossessed goods, and you agree to pay us the deficiency, if any, when permitted by applicable law.

All liabilities of the Client shall mature immediately upon the insolvency of the Client, its inability to meet its obligations as they become due, the appointment of a receiver, custodian, or trustee for the Client or any of its property, the filing of a voluntary or involuntary petition for relief of in bankruptcy, reorganization, or arrangement, the making of an assignment for the benefit of creditors, or the calling of a meeting of creditors by the Client, or if any of the foregoing events shall occur with respect to any Guarantor.

**Arbitration:** Any claim, dispute, or controversy between you and us (whether based upon contract; tort, intentional or otherwise; constitution; statute; common law; or equity and whether pre-existing, present or future), including initial claims, counter-claims, cross-claims and third party claims, arising from or relating to this Agreement or the relationships which result from this Agreement, and except as provided below, the validity or enforceability of this arbitration clause, any part thereof or the entire Agreement (Claim"), shall be resolved, upon the election of you or us, by binding arbitration pursuant to this arbitration provision and the applicable rules or procedures of the arbitration administrator. The Better Business Bureau of Northeastern California ("BBB") shall serve as the arbitration administrator (the "Administrator") The rules and forms of the BBB may be obtained by writing to the organization. Our address for service of process under this provision is Acorn IT Group Retail Credit, P.O. Box 661343, Sacramento, CA 95866.

Any participatory arbitration hearing that you attend will take place in Sacramento, California or at such other location as agreed by the parties. The parties shall bear the expense of their respective attorneys' fees, except as otherwise provided by law.

This arbitration agreement is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1-16 (the "FAA"). The arbitrator shall apply applicable substantive law consistent with the FAA and provide written reasoned findings of fact and conclusions

of law. Judgment upon the award may be entered in any court having jurisdiction. The arbitrator's award will be final and binding except for: (a) any appeal right under the FAA; and (b) any appeal of Claims involving more than \$100,000. For such Claims, any party may appeal the award to a three-arbitrator panel appointed by the Administrator, which will reconsider de novo (i.e., in its entirety) any aspect or all aspects of the initial award that is appealed. The panel's decision will be final and binding, except for any appeal right under the FAA. Unless applicable law provides otherwise, the appealing party will pay the appeal's costs (i.e., the amounts owed to the Administrator and the arbitrators), regardless of its outcome. However, we will consider in good faith any reasonable request for us to bear up to the full costs of the appeal.

This arbitration agreement shall survive termination of your Account as well as the repayment of all amounts borrowed hereunder. If any portion of this arbitration agreement is deemed invalid or unenforceable under any law or statute consistent with the FAA, it shall not invalidate the remaining portions of this arbitration agreement or the Agreement. In the event of a conflict or inconsistency between the rules and procedures of the Administrator and this arbitration agreement, this arbitration agreement shall govern. Notwithstanding any language in this arbitration provision to the contrary, no arbitration may be administered, without the consent of all parties to the arbitration, by any organization that has in place a formal or informal policy that is inconsistent with and purports to override the terms of this arbitration provision, including the Class Action Waiver Provision defined below. No class actions or private attorney general actions in court or in arbitration or joinder or consolidation of any Claim with the claim of any other person are permitted in arbitration without the written consent of you and us. The validity and the effect of the preceding sentence (herein referred to as the "Class Action Waiver Provision") shall be determined exclusively by a court and not by the Administrator or any arbitrator. Neither the Administrator nor any arbitrator shall have the power or authority to waive, modify, or fail to enforce the Class Action Waiver Provision, and any attempt to do so, whether by rule, policy, arbitration decision, or otherwise, shall be invalid and unenforceable.

**The parties acknowledge that they had a right to litigate claims through a court before a judge or jury, but will not have that right if either party elects arbitration. The parties hereby knowingly and voluntarily waive their rights to litigate such claims in a court before a judge or jury upon election of arbitration by either party.**

As used in this arbitration provision, the term "we", "us", and "our" shall mean Acorn IT Group, its subsidiaries, affiliates, predecessors, successors, assigns, and each of their officers, directors and employees.

**Change of Terms:** We may change or terminate any terms, conditions, services, or features of your Account or this Agreement (including increasing your Finance Charges and Fees or revising the arbitration provision or any other provisions of this Agreement) at any time. We may also add new terms, conditions, services, or features to your Account or this Agreement. We may impose any change in terms or any new terms on your outstanding balance as well as on subsequent transaction and balances. To the extent required by law, we will notify you in advance of any change in terms or any new terms by mailing or emailing a notice to you at your address as shown on our records of the amendment or by posting the amended Agreement at an online address designated by us. Amendments due to changes in any law or judicial decision may become effective on such shorter period of time as we may specify if necessary to comply with the applicable law or decision.

**Updated Financial Information:** Promptly upon request, you agree to give us accurate business financial statements, as well as personal financial statements if a personal guarantor is given.

**Credit Investigation:** You give us the right to investigate your business and/or personal credit history, as applicable. You authorize us to furnish information about the Account to credit reporting agencies and others who may lawfully receive the information including our affiliates.

**Liability for Unauthorized Use:** If we deliver a credit card that may be used to access an Account, then you agree that this Agreement controls all purchases made on the Account from the Seller by you or any User. You will promptly notify us, in writing, at the address indicated on your monthly statement of the loss, theft, or unauthorized use of this credit card. Except as provided below, you will not be responsible for any unauthorized purchases

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made after we receive written notice from you, If you have requested and been issued fewer than 3 credit cards, your liability for unauthorized use shall not exceed \$50. If you have 3 or more credit cards, you will be liable for all unauthorized use of the Account. You agree to review your monthly statements promptly and notify us, in writing, at the address indicated on your statement of any errors or unauthorized purchases that are contained on the statement. If you do not notify us, in writing, of an error or unauthorized purchase within 30 days of receipt of the statement on which the information is contained, the statement will be presumed to be correct and all purchases contained on the statement will be presumed to be authorized.

**Liability for Use:** If we do not deliver a credit card that may be used to access an Account or cards are issued in the name of the business entity only, then you acknowledge that you are agreeing to be liable for all purchases charged to your Account by any authorized purchaser on the account, or who provides information matching that of an authorized purchaser on the account to a Seller. You agree that you will keep your account details confidential, and notify us immediately if you have any reason to suspect that anyone other than your officers, employees, or agents you have authorized to use the Account have obtained access to your account information.

**Cancellation of Card:** You may cancel the Card of an Authorized User by notifying us, in writing, at the address indicated on your monthly statement. You will not be responsible for any unauthorized purchase after we receive written notice from you.

**Cancellation of Account:** You and we have the right to cancel this Agreement/Account, as it relates to future purchases, at any time without default. You, of course, remain obligated to pay for all purchases made prior to cancellation and the security interest in goods purchased under this Agreement shall continue in full force and effect.

**Use of Data:** Notwithstanding any other verbal or written communications or representations to the contrary, the Client and all Users agree that we or our servicers or assigns can collect and use data concerning the Client, Authorized Users, this application, and transactions involving your Account and can sell or transfer such data to our affiliates, servicers or assigns, except as provided by law. You may direct us not to share with our affiliates or subsidiaries certain information (other than transactions or experience information) about you by writing to us at Acorn IT Group Retail Credit, P.O. Box 661343, Sacramento, CA 95866-1343.

**Monitoring Practices:** You agree that our supervisory personnel may listen to and record telephone calls between you and our representatives in order to evaluate the quality of our service to you and other cardholders.

**Headings:** The headings used herein are for convenience or reference only and do not form a part of this Agreement; no construction or inference shall be derived there from.

**Assignment:** You agree that we may sell, assign, or transfer our rights to your Account without written notice to you or your consent. You may not sell, assign, participate, or transfer your rights under this Agreement without our prior written consent. If you nevertheless assign this Agreement without such consent, this Agreement will be binding upon the assignee.

**Standard Agreements:** The Standard Payment Policies and Agreements (or other applicable policies) of each Seller will apply for all transactions made by and between that Seller and are incorporated into this Agreement by reference. In the event of conflicts between this document and a Seller's standard policies, this document's terms, conditions, and remedies will be considered more specific on the topics addressed herein and will take precedence over less specific ones. If conflicts arise between the policies of different Sellers for the same product or service, upon request we will review all relevant details and provide a clarification.

**Entire Agreement:** This is our entire Agreement and no oral changes can be made.

**Choice of Law:** This Agreement is governed by the laws of the State of Nevada.

**Notice for Iowa Residents:** Do not sign this Application before you read it. You are entitled to a copy of this form. You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law.

**Notice for Maine Residents:** We may request a consumer report on any guarantor in connection with your application for credit. You may ask whether a consumer report was obtained by us and we will tell you the name and address of the consumer reporting agency, if a report was obtained.

**Notice for Ohio Residents:** The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

**Notice for Vermont Residents:** A consumer credit report may be requested in connection with this application or in connection with updates, renewals, or extensions of any credit granted as a result of this application. Upon your request, you will be informed whether or not such a report was requested and, if so, the name and address of the agency that furnished the report.

**Notice for Washington Residents:** Washington State law against discrimination prohibits discrimination in credit transactions because of race, creed, color, national origin, sex, or marital status. The Washington State Human Rights Commission administers compliance with this law.

