

Standard Terms & Conditions of Sales (STCS)

THIS DOCUMENT IS A CONTRACTUAL AGREEMENT BETWEEN THE CLIENT AND ALLOGRO READ IT VERY CAREFULLY. Every transaction involving the sale by, transfer from, or performance by Allogro of Products or Services as defined below are subject to the terms and conditions stated herein, incorporated by reference herein, and printed upon the face of any sales order, sales receipt, invoice, or packing slip (collectively the "Standard Terms of Sale" or the "Agreement"). These Standard Terms of Sale are in lieu of and replace any and all terms and conditions set forth in any documents issued by the Client, including, without limitation, any purchase orders and any specifications. ANY WAIVER OR AMENDMENT TO THESE STANDARD TERMS OF SALE IS OBJECTED TO AND SHALL NOT BE BINDING ON ALLOGRO unless agreed to in writing expressly stating that it is such a waiver or amendment and signed by the Allogro Chief Executive Officer. In case of conflict between these Standard Terms and Conditions of Sale and any terms and conditions stated upon transactional documents (invoices, packing slips, etc.) issued by Allogro, the transactional documents' terms and conditions will prevail. Client's acceptance of shipment or performance and/or payment for the Products or Services constitutes acceptance of Allogro's Standard Terms of Sale. If Client does not accept these Standard Terms of Sale "as-is" or as modified exclusively as indicated above, then the Client shall not submit an order or request service.

Definitions

Allogro: "Allogro", "Seller", "Service Provider", "we", "us", and "our" shall mean the Nevada corporation Acorn IT Group and its divisions (including specifically the "Allogro" division), subsidiaries, affiliates, directors, officers, employees, subcontractors, successors, and assigns serving in the role of the seller in this Agreement.

Client: "Client", "Buyer", "you", and "your" shall mean the entity (natural person or persons; the estate, trust, general or limited partnership, corporation, limited liability company, limited liability partnership, international business company, association, foundation, non-profit organization, institution, school, public utility, government, or any other legal entity capable of entering into contractual agreement; or a district, division, agency, department, unit, branch, office, or other subdivision thereof) desiring to place an order for purchase of various Products and/or Services from Allogro.

If a natural person, the Client must be at least eighteen (18) years of age or the minimum legal age required to enter into legal contracts within your jurisdiction, whichever is higher. If the Client is a legal entity other than a natural person, the entity must be in good standing and have the right to enter into binding contracts with another party. If the Client is a subdivision of a parent organization, the subdivision must have the authority to enter into contracts binding upon the parent organization.

In all cases, the person or persons initiating and/or authorizing the transaction affirm and warrant that they may enter into contractual obligations on behalf of the Client and have authorization to indebted the Client for all amounts arising from any transaction made under this Agreement.

Products: "Product" or "Products" shall mean any item offered for sale or licensing by Allogro, including, but not limited to, hardware devices, software, accessories, peripherals, configurations of hardware and software, small appliances, consumer electronics, prerecorded media, components, parts, and documentation. Products are new unless otherwise specified.

Allogro and its suppliers continually update their Product offerings and may revise or discontinue Products at any time. Changes between what is shipped and what is described in marketing materials (ads, catalogs, specification sheets, etc.) are possible.

Internet Services: "Internet Services" shall mean services involving Internet technologies provided by Allogro and/or third-party providers, and include domain name registrations and renewals, domain name services, e-mail account hosting, Web hosting, SSL certificate services, online merchant account services, etc.

Services: "Service" or "Services" shall mean any work performed on behalf of the Client by Allogro, subcontractors, or third-party providers. Services include, but are not limited to, consultation, hardware and software installation and maintenance, network administration, software and Web development, Internet services and Web hosting.

Such Services are provided under Allogro's **Standard Service Level Agreement** ("SSLA") in a best-effort manner, without guarantees of performance, reliability, or quality unless separate service-level agreements have been authorized by Allogro and signed by both parties.

Prices & Orders

Pricing Errors: Allogro is not responsible for misprinted or typographical errors in printed or electronic media, including, but not limited to, newspaper ads, flyers, e-mail, and webpages.

Price Quotations: A quotation is not an offer. It is a solicitation for an offer and is made only on these **Standard Terms & Conditions of Sale** ("STCS") as may be updated from time to time and found at <http://Allogro.com/go/STCS>.

Client's offer to purchase Products and Services must be exclusively on these Standard Terms of Sale. Allogro hereby specifically rejects any terms and conditions on Client's offer in conflict with or in addition to these Standard Terms of Sale.

Unless otherwise indicated, quotations expire at 1:30 P.M. Pacific Time on the date of expiration printed on the quotation or five (5) business days from the quotation date on quotations without listed expiration dates. Highly volatile market prices (e.g. computer RAM, CPUs, etc.) fluctuate daily and are never guaranteed, and prices in effect at time of shipment of Products shall prevail.

Special Orders: Cut cables and Products manufactured to custom specifications, custom configured or modified to Client's specifications, or ordered on behalf of the Client that are outside the usual Product lines stocked by Allogro are considered Special Orders. Special order items are NOT cancelable or returnable once the order has been placed with Allogro's suppliers.

Order Acceptance: The verbal/oral acceptance by Client of Allogro's quotations or estimates, work orders, or engineer's reports shall be deemed as a contract of sale subject to the Standard Terms of Sale herein.

Network Integration and Support for Smaller Organizations

Allogro is a division of the Acorn IT Group, a Nevada corporation.

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All orders of Products or Services placed by Client with Allogro shall be subject to acceptance by Allogro. Receipt of order confirmations or other communications sent by Allogro or authorizations provided by Client's credit card company do not signify Allogro's acceptance of an order, nor do they constitute confirmation of our offer to sell. Allogro reserves the right, at any time and without prior notice, to cancel or limit the quantity of any Product or Service available.

Client's order shall be deemed accepted by Allogro only when Allogro ships the Products ordered to the Client or the designated recipient.

Price Confirmation: As part of Allogro's order processing process, all prices are reconfirmed. In the unlikely event that a previously quoted price is incorrect, then the following applies: (i) if a Product's correct price is lower than the quoted price, the lower amount will be charged when the Product is shipped; (ii) if a Product's correct price is higher than the quoted price, Allogro will, at its discretion, either contact the Client for instructions before shipping or cancel the order and notify the Client of such cancellation.

Coupons and Rebates: Allogro is happy to apply our own coupons, instant or mail-in rebates, discounts, or promotional offers ("Offers") to your transaction. Generally Allogro does not accept or process Offers from or administered by manufacturers or other third parties. However, the Client may submit any Offer for consideration by Allogro, but our acceptance decision is final.

All coupons, rebates, discounts, or promotional offers must be presented or requested prior to the conclusion of the sale and are subject to these Standard Terms of Sale and any additional conditions part of the offer. Unless the Offer specifically allows it, Offers may not be combined, increased, or applied to clearance or other discounted items. In no case will a credit or refund be issued if the Offer exceeds the invoice total. Offers will not be considered after orders are accepted or shipped by Allogro.

All matters relating to manufacturers' (or other) mail-in rebates or similar items shall remain strictly between you and the rebate provider. Upon request, Allogro will provide Client with one duplicate sales order or invoice copy for rebate proof of purchase. Due to privacy concerns, we will not provide any details other than confirma-

tion of a purchase by the Client to a rebate program administrator. This is the limit of our involvement with rebate programs.

Please refer to the Standard Cancellations and Refunds Policy for information on how removal of a UPC code or other damage to a Product's packaging or serial number may affect your rights.

Taxes and Duties: Prices do not include any sales, local, use, excise, value-added, or similar taxes and, where applicable, such taxes shall be billed as a separate item and paid by the Client. In lieu of such payment, Client may provide Allogro with an appropriate tax exemption or resale certificate.

Allogro collects sales tax on orders billed to addresses in California, Nevada, and possibly other states or localities. Client should be aware that local governments may require payment by Client of use tax on orders where sales tax is not collected by Allogro or where less tax is collected than is required by the local jurisdiction.

For Products shipped outside the United States of America, Client will be responsible for paying all customs, duties, unloading, and other import fees.

Payments Policy

Standard Terms and Conditions. Allogro's **Standard Payment Policy and Agreement ("SPPA")** is incorporated into this Agreement by reference and is an important and binding component of this Agreement. The SPPA is available online at <http://Allogro.com/go/SPPA> or will be furnished in electronic or printed form upon request.

Payment Terms: Unless Client has established credit terms, all payments are due prior to shipment or upon delivery of Products or Services.

Returns/Refunds

Standard Terms and Conditions. Allogro's **Standard Returns & Refunds Policy ("SRRP")** is incorporated into this Agreement by reference and is an important and binding component of this Agreement. The Standard Returns & Refunds Policy is available online at <http://Allogro.com/go/SRRP> or will be furnished in electronic or printed form upon request.

Assignment, Title, and Resale

Assignment or Delegation: Client shall not assign or delegate any or all of its duties or rights hereunder without Allogro's prior written consent, which will not be unreasonably withheld.

Title: Title to Products other than software passes from Allogro to Client upon receipt of full payment. Title to software shall remain with the applicable licensor(s).

Software License Terms: All software, including pre-loaded and embedded software contained in hardware, is provided subject to such software's end user license agreement (EULA). Client agrees that Client will be bound to such agreement.

Resale: Unless Client has been approved by Allogro and the manufacturer or publisher of the Product(s) as an Authorized Resale Customer(s) ("ARC") to resell such Product(s), Client represents and agrees that Clients purchasing Product(s) only for Client's use and not for resale and that components will not be removed for resale.

ARCs may only resell Products to end-users as permitted by the terms of each manufacturer's or publisher's resale provisions. A Product may not be resold until Allogro receives payment in full for the Product and title is clear.

Delivery and Risk of Loss

Delivery Dates: Delivery dates given in advance of actual shipment of Products or performance of Services are estimates and shall not be deemed to represent fixed or guaranteed delivery dates.

Shipping and Handling Charges: Product prices do not include shipping and handling. Quoted shipping and handling charges are estimates only, and you will be invoiced for actual shipping charges for material preparation, packaging, freight, and any additional items associated with each shipment based on the value and/or weight of the shipment. Additional charges for local delivery may also apply.

In many cases, Allogro is able to ship using a Client's preferred shipping carrier, and optionally charge shipping amounts to the Client's account with the shipper.

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Client will still be charged for material preparation, packaging, and any additional items associated with the shipment.

Delivery: If the Client does not specify a shipping preference, or if the Client's preferred shipment method is unavailable, Allogro will use its discretion in selecting a reputable carrier and appropriate means of shipment. Unless otherwise noted, all sales of Products are made "Free Carrier Point of Shipment" (FCA Incoterms 2000). Unless otherwise noted, all sales of Services are made "Delivered Duty Unpaid to Job Site" (DDU Incoterms 2000).

Risk of Loss: In all cases, all risk of loss or damage to Products shall be upon Client at point of shipment.

Acceptance: Client shall be deemed to have accepted Products or Services upon signature at time of delivery, or if no signature is collected, at the close of the 3rd business day after shipment to an address within the continental United States, the close of the 5th business day after shipment to an address in AK, HI, or Canada, or within 3 business days of the estimated delivery date provided by the carrier for all other countries.

In-Person Pickup: If Client receives Products from Allogro in-person at an Allogro office or warehouse, the Client shall be deemed to have accepted the Products at the time of receipt, and all risks of loss or damage pass to the Client at that moment.

may be cancelled prematurely by providing notification and payment of a consulting fee equal to one-third ($\frac{1}{3}$) of the estimated remaining contract value at the time of cancellation or the standard Allogro rate for the Service prorated to the cancellation date, whichever is higher, along with reimbursement for direct and reasonable expenses related to the cancelled contract.

Contracts for Services reasonably expected to be completed in six months to one (1) year may be cancelled prematurely by providing notification and payment of the prorated portion of the contract to the end of the current month, along with a consulting fee equal to 25% of the estimated remaining contract value at the end of the current month and reimbursement for direct and reasonable expenses related to the cancelled contract.

Multi-year contracts may be cancelled prematurely by providing notification and payment a consulting fee equal to 25% of contract value over the next twelve (12) month period and reimbursement for direct and reasonable expenses related to the cancelled contract.

Fixed monthly payment agreements and contracts without clear ending dates, shall be treated as three (3) month contracts if in existence for less than twelve (12) months, and as one (1) year contracts if longer.

the service, along with any other services which may be dependent upon the service.

Terms of Use: You agree to abide by the Terms of Use agreement, or similar document, applicable to the Internet Service(s) to which you subscribe or use.

Under no circumstances shall you use the Internet Service(s) in any way that is illegal, unethical, deceptive, or abusive. You shall not use any Internet Service provided by Allogro for the following "Prohibited Activities":

- (i) unsolicited bulk e-mail or unsolicited commercial e-mail (i.e., "spam");
- (ii) misrepresentation of a third party (such as in "phishing" attacks);
- (iii) criminal or terrorist activities;
- (iv) distribution or receipt of child pornography, pirated software or entertainment products (games, videos, audio recordings, etc.), or personal information or stolen credit card information useful for identity theft; or
- (v) launching or coordinating attacks against, or participating in attacks or behavior expected to cause disruption to, the smooth operations of any computer or telecommunications system or network.

The mere likelihood of such activities occurring may result in action up to the immediate cancellation of any or all of your Internet Services with Allogro. Allogro will cooperate with law enforcement agencies conducting lawful investigations, and proof of Prohibited Activities may be turned over to law enforcement officials for possible criminal prosecution.

You agree to indemnify and hold Allogro and any third-party providers harmless from claims, direct or indirect, resulting from the suspected or actual Terms of Use violations. Further, you agree to repay in full all amounts incurred by Allogro and any third-party providers as a direct or indirect result of your violation of the Terms of Use. If Allogro or a third-party provider suffers harm to its brands or reputation, you agree to pay damages to the limit allowed by law.

Cancellation Acknowledgement and Agreement: You hereby acknowledge that cancellation of any Internet Service for any reason and by any party could cause disruptions to one or more of your business practices, websites, e-mail accounts, and other online activities. If such

Cancellations

Canceling an Order: Client may cancel an order by mutual agreement based upon payment to Allogro of reasonable and proper cancellation charges.

Orders which required the commitment of time or other resources by Allogro in planning, design, or research prior to cancellation may result in a consulting fee equal to 30% of the estimated gross order value at the time of cancellation or the standard Allogro hourly consulting rate for the time spent on the order prior to cancellation, whichever is less, along with reimbursement for direct and reasonable expenses related to the cancelled order.

Canceling a Contract: Unless otherwise determined by written contract, contracts for Services, including verbal contracts, may be cancelled as follows.

Contracts for Services reasonably expected to be completed in under six (6) months

Internet Services

Internet Services Agreements: Internet Services are generally subject to different terms and conditions of sale, and are often provided by third-party service providers. Allogro and its third-party suppliers may modify, transfer, or cancel Internet Services agreements at any time and without advanced notice. Notice shall be considered given when a change is posted to a website, sent in an e-mail, or noted by invoice. In cases where the terms and conditions of sale for a third-party provided Internet Service conflict with these Standard Terms of Sale, the third-party agreement shall prevail, except that no third-party agreement may transfer additional liabilities to or increase the total liability of Allogro.

Prepayment of Internet Services: Fees for Internet Services, unless specifically stated otherwise, must be paid at the time of order and in advance for recurring orders. If payment is not received by the due date, Allogro reserves the right to cancel

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activities also tie-in to offline activities, those activities may also be disrupted.

You acknowledge that some Internet Services may not be able to be resumed after cancellation, even after full payment of past due amounts, and that unique account information (usernames, domain names, e-mail addresses, etc.) may be locked, resold, or otherwise become unavailable for your use in the future.

You acknowledge it is even possible for a direct competitor or enemy of your company to register any cancelled unique account information and use it in any way they see fit, and there will be nothing that Allogro will be able to do about it. You agree to indemnify and hold Allogro and any third-party providers harmless from claims, direct or indirect, resulting from the cancellation of any Internet Service.

Liability and Warranties

Limitation of Liability: BOTH ALLOGRO'S AND CLIENT'S LIABILITY SHALL BE LIMITED TO THE AMOUNT INVOICED FOR THE PRODUCT OR SERVICE IN QUESTION. IN NO EVENT SHALL EITHER ALLOGRO OR CLIENT BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE, OR SPECIAL DAMAGES RESULTING FROM THE PERFORMANCE OR FAILURE TO PERFORM UNDER THIS AGREEMENT, OR FROM THE FURNISHING, PERFORMANCE, OR USE OF ANY PRODUCTS OR SERVICES SOLD PURSUANT HERETO, WHETHER AS A RESULT OF BREACH OF CONTRACT, BREACH OF WARRANTY, DAMAGE TO PROPERTY, TORT (IN NEGLIGENCE) OR OTHERWISE, REGARDLESS OF CAUSE OR FAULT.

ALLOGRO SHALL NOT IN ANY EVENT BE LIABLE FOR INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES including, but not limited to, loss of profits or revenue; loss of use of Products or associated Products; cost of capital; cost of substitute Products, facilities, or Services; downtime costs; or claims of customer of Client for such damage.

In addition, if Allogro furnishes Client with advice or other assistance regarding any Products or Services supplied hereunder, or any system or equipment in which any such Products may be installed, and which

is not required pursuant to this contract, the furnishing of advice or assistance will not subject Allogro to any liability, whether based on contract, warranty, tort (including negligence) or other grounds.

This limitation of liability reflects a deliberate and bargained-for allocation of risks between Allogro and the Client and constitutes the basis of the parties' bargain, without which Allogro would not have agreed to the price or terms of this contract. Allogro shall not, under any circumstances, be liable for any labor charges without its prior written consent.

Warranties: Products are sold only with such warranties as may be extended by the manufacturer of the Product. Services performed by third parties, including subcontractors, are subject only to those warranties extended by such third parties.

Service work performed by Allogro will be guaranteed for a period of thirty (30) days from date of invoice or sales receipt; the sole guarantee offered by Allogro will be to repair, replace, or otherwise make-right, as determined solely by Allogro and at no additional charge, the original work as invoiced. Additional work or parts that are secondary to satisfying this guarantee will be billed at the regular rates. At no time will the liability of Allogro exceed the amount(s) paid by the client for the part, service, or project in question.

ALLOGRO EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ANY IMPLIED WARRANTIES OF NON-INFRINGEMENT. Client is responsible for installation and use in accordance with manufacturer's instructions. Allogro personnel are not authorized to alter this policy.

Items Being Serviced: Allogro limits the liability of loss or damage to the hardware and any software, media, documentation, licenses, or accessories provided by the Client (the "Unit") to its sole choice of a replacement of any lost or damaged item or a reasonable replacement value deduction from the price of Servicing the Unit. The maximum liability for which Allogro will be held responsible is the lowest of USD \$2,500.00, the replacement value of all lost or damaged items (excluding data), or the total invoiced price of Servicing the Unit.

Unless agreed to by Allogro and specified in the quotation, the Client is responsible for providing and installing all software and data on new, replacement, or repaired systems.

Product Modification: Client agrees that any material change or modification of Products in any way, or such is done under the discretion of the Client, such change or modification will void any express warranties made by Allogro and buyer hereby agrees to indemnify and hold Allogro forever harmless from and against any and all claims, cost, damages, expenses, fines, liabilities, loss, or penalties (including but not limited to reasonable investigation and attorneys' fees) threatened, incurred, or rising out of or by reason of any such change or modification.

Force Majeure: Allogro shall not be liable for any delay or failure in performance caused by or resulting from acts or omissions of Client, acts of God, fire, flood, earthquake, accident, riot or other civil disturbance, war, acts of terrorism, government intervention, governmental priority, embargoes, strikes, labor difficulties, insolvency or other inability to perform by the manufacturer, equipment failures, transportation delays, or any other causes beyond the reasonable control of Allogro. If such a delay occurs, any negotiated delivery or performance schedules shall be automatically extended for a period equal to the time Allogro lost by reason of delay.

Quantities are subject to availability. In the event of production difficulties, Product shortages, or limited availability of qualified personnel to perform Services, Allogro may allocate sales, deliveries, and personnel in its sole discretion.

Special Situations

Client's Data and Software: The Client shall remain fully responsible for all of Client's software, application data, user data, and other information ("Data").

The purchase, procurement, or use of equipment and/or software by or from Allogro with the assumption or expressly stated purpose of backing up or protecting Client's Data shall not impart or increase Allogro's responsibility for the Data.

Allogro shall have no responsibility for any of the Client's Data, even if the purpose of the work performed was to attempt protect or recover of such Data. Client agrees to

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indemnify and hold Allogro harmless from all liability for and damages resulting from such claims as, but not limited to, the loss of such Data; loss of profits or revenue; loss of use of Data; cost of replacing, reentering, or researching Data, downtime costs; recovery costs; or claims of customer of Client for such damage.

Allogro is not responsible for any Data stored, recorded, or accessible on any returned item, including transferring such Data to another Product provided to the Client in exchange.

Allogro is not responsible for maintaining the confidentiality of any Data residing on the returned Product. Client will indemnify and hold Allogro harmless from liability from disclosure of trade secrets, financial data, or other private information stored or accessible on equipment returned to Allogro.

Critical Components and Hazardous Activities: Products sold hereunder are not intended for use in connection with or as a component of any life support system, medical or nuclear facility, or in any other hazardous situation or activity such as military or commercial aircraft, space exploration, missile installation, underwater activities, or other applications where failure of a single component could reasonably be expected to cause significant injury to users, other persons, or property.

If so used, Allogro disclaims all liability for any loss of life, disability, nuclear damage, contamination, or other damage or injury and Client shall indemnify and hold Allogro forever harmless from such liability whether as a result of breach of contract, warranty, tort (including negligence), or other grounds. Allogro and its suppliers shall not be liable to Client or its insurers based on contract, warranty, tort (including negligence) or other grounds for on-site damage to property located at a medical, nuclear, or other hazardous facility.

Matters of Law

Waiver and Invalidity: FAILURE OF EITHER PARTY TO INSIST UPON STRICT PERFORMANCE OF ANY PROVISIONS HEREOF SHALL NOT BE DEEMED A WAIVER OF ITS RIGHT AND REMEDIES OR EXCUSE ANY SUBSEQUENT NON-PERFORMANCE OF ANY SUCH TERM OR CONDITION BY THE OTHER PARTY. If any provision of these Standard Terms of Sale is deemed by a court to be unenforceable, invalid, or void for any reason, such provision shall be automatically voided and shall not be part of this Agreement, and the remainder shall stay in effect fully enforceable and valid.

Headings: The headings used herein are for convenience or reference only and do not form a part of these Standard Terms of Sale, and no construction or inference shall be derived therefrom.

Governing Law: These Standard Terms of Sale and all transactions hereunder shall be governed and construed under the laws of the State of Nevada, United States of America, without regard to conflicts of laws rules. The provisions of the United Nations Convention on Contracts for the International Sale of Goods shall not apply. Client agrees that the courts of the State of Nevada, United States of America shall have exclusive jurisdiction over the parties for all disputes.

Venue and Waiver of Jury Trial: Venue shall lie exclusively and only in either (i) Washoe County, State of Nevada, United States of America; or (ii) District of Nevada (Reno) of the United States District Court. THE PARTIES HEREBY WAIVE TRIAL BY JURY WITH RESPECT TO ANY DISPUTE RELATING TO THESE STANDARD TERMS OF SALE OR ANY TRANSACTIONS CONDUCTED HEREUNDER.

Entire Agreement: These Standard Terms of Sale, including the documents referenced herein, constitute the entire and exclusive agreement between the Client and Allogro concerning the Products and Services and Client's purchase hereunder and supersede any and all statements or other agreements, whether oral or written, between Client and Allogro. These Standard Terms of Sale may NOT be altered, supplemented, or amended by the use of any additional document(s) that purport to be an agreement of the parties. Any attempt to supplement or amend these Standard Terms of Sale or to enter an order for Product(s) or Service(s) subject to additional or different terms and conditions shall be null and void and shall not be binding on either party.

