

Capstone's Terms and Conditions of Sales
Dated March 26, 2009

1. Agreement. Each Quotation or Estimate for goods or services from Capstone Information Technologies Incorporated ("Seller"), and these Terms and Conditions (together, referred to as this "Agreement") confirms the agreement for the purchase of such goods and computer support services described in such quotation or estimate (the "Goods" and "Services"), by Buyer and the provision of the same by Seller, which shall be the complete and exclusive statement of such offer/order and agreement. A contract is formed when: (a) Buyer accepts the Quote or Estimate from Seller, (b) Buyer makes any other oral or written acceptance of the Quote or Estimate, or (c) any other conduct by Buyer that recognizes the existence of a contract pertaining to the Goods and/or Services, including but not limited to acceptance of the Goods and/or Services. Each order shall be deemed accepted upon the terms and conditions contained in the Agreement.

2. Pricing and Late Payments. The price for the Goods and Services is stated in the invoice and, unless otherwise specified by Seller, is payable within 30 days of the date of such invoice. If Buyer does not make payment when due, Buyer shall pay a fee on past due amounts of 1.5% per month or the maximum rate allowed by law, whichever is less.

3. Risk of Loss; Delivery Charges. Title to the Goods and Services passes upon delivery to Buyer, and thereafter all risk of loss or damages are the responsibility of Buyer, provided however, that with respect to deliveries by common carrier are F.O.B. shipping point, title passes to Buyer upon delivery by Seller to the carrier, and thereafter all risk of loss or damage is the responsibility of Buyer and Buyer is responsible for delivery charges.

4. Time Not of the Essence. Seller will endeavor to deliver the Goods and Services by any agreed date or within any agreed period. These dates and periods, however, are only estimates given in good faith and, consequently, Seller will not be liable for any failure to deliver the Goods and Services by such a date or within such a period. Time for delivery will not be of the essence.

5. Warranties. Goods and Services sold by Seller are not manufactured by Seller, and Seller has made no representations, warranties, affirmation of fact or promise relating to the Goods and Services. All warranty claims shall be asserted exclusively against the manufacturer of the Goods. EXCEPT AS TO TITLE, THERE ARE NO WARRANTIES, WHETHER WRITTEN, ORAL, IMPLIED OR STATUTORY, RELATING TO THE GOODS AND SERVICES. NO IMPLIED STATUTORY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE APPLIES TO THE GOODS AND SERVICES.

6. Limitation on Liability. Seller's liability on any claim relating to the Goods and Services or their sale, resale, operation or use, whether based on contract, warranty, tort (including negligence) or other grounds, shall never exceed the price allocable to such Goods and Services. SELLER WILL NOT BE LIABLE FOR INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS OR REVENUE, LOST DATA OR ANY DAMAGES TO EQUIPMENT OR DAMAGES PAID TO THIRD PARTIES PAID BY BUYER, LOSS OF WARRANTY, LOSS OF USE OF THE PRODUCT OR ANY ASSOCIATED PRODUCT, COST OF CAPITAL, COST OF SUBSTITUTE PRODUCTS, FACILITIES OR SERVICES, DOWNTIME COSTS, OR CLAIMS OF CUSTOMERS OF BUYER FOR SUCH DAMAGES.

7. Returns. Buyer may return Goods to Capstone that were inoperable upon arrival for repair, replacement or refund (as determined by manufacturer's return policies) within 30 days of purchase. Nondefective returns are also subject to the distributor or manufacturer's return policy. There is no guarantee that non-defective returns will be permitted. Buyer may be able to return products directly to the manufacturer. Approved Nondefective returns to Seller are subject to a minimum 20% restocking fee plus shipping cost.

8. Authority/Solvency. Buyer's representative hereby warrants that he/she is authorized to place orders with Seller and shall provide adequate assurances of the foregoing if requested by Seller. Buyer warrants that to the best of its knowledge, the entering into of this Agreement does not violate any law or contractual obligations with third parties. The order for the Goods and Services placed by Buyer constitutes a representation by the officer or other representative of Buyer placing such order that Buyer is solvent and that Buyer intends in good faith to comply with this Agreement. Seller shall have the right, in its sole discretion, to seek adequate assurances relating to Buyer's solvency and financial condition prior to the shipment of any product.

9. Security Interest. To secure payment of the sales price of the Goods and Services and all other obligations of Buyer under this Agreement, Buyer hereby grants to Seller a security interest in the Goods and Services and all products and proceeds thereof. Seller is authorized by Buyer to take such action as may be appropriate to perfect the security interest granted herein. Buyer agrees to execute any additional documents necessary to perfect such security interest.

10. Waiver and Modification. No waiver or modification of this Agreement will be binding upon Seller unless agreed to by Seller in a signed writing. Failure by Seller to enforce strict compliance with this Agreement will not constitute a waiver of any of the provisions of this Agreement.

11. Severability; Force Majeure. If any provision of this Agreement is or becomes void or unenforceable for any reason, then the validity of the remaining provisions will not be affected. Seller will not be in breach of this Agreement because of delays or nonperformance caused by circumstances beyond its reasonable control or other force majeure.

12. Choice of Law; Jurisdiction; Waiver of Jury Trial; Attorney Fees. This Agreement will be governed the laws of the State of New York (without regard to principles of conflict of laws). Any claims arising out of or related to this Agreement or the Goods shall be brought exclusively in Monroe County, New York.; provided that if the Goods or Buyer are not located in Monroe County, New York, Seller may also bring suit at the location of the Goods and/or the Buyer. Buyer submits to the jurisdiction of all such courts. BUYER AND SELLER HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION TO ENFORCE, DEFEND, CONSTRUE OR OTHERWISE CONCERNING THIS AGREEMENT OR THE GOODS OR SERVICES. If it is necessary for Seller to commence collection efforts against Buyer for any indebtedness due or to otherwise enforce this Agreement, Seller will be entitled to recover from Buyer its reasonable attorneys' fees and costs.

13. Assignment. Buyer may not assign or delegate its obligation hereunder without Seller's prior written consent.

14. Entire Agreement. The quotation or estimate given by Capstone, together with these terms and conditions contains the entire agreement between the Buyer and Seller regarding the subject matter herein and therein, and supersedes any prior agreements or representations, whether oral or written, and no agreement, representation or understanding not specifically contained herein shall be binding, unless reduced to writing and signed by Buyer and Seller. Notwithstanding the foregoing, if Buyer and Seller have executed a more extensive "Agreement for Computer Support Services" or "Agreement for Data Backup and Disaster Recovery Service", the terms of such written agreement(s) shall supersede these Terms and Conditions.