

CONSULTANT AGREEMENT

This Consultant Agreement (the "Agreement") is entered into by and between Lopoco (the "Company"), and Ken Cannizzaro (the "Consultant") the parties, effective as of 1-20-14 (the "Effective Date").

WHEREAS, the Company requests the Consultant to perform services for it and may request the Consultant to perform other services in the future; and

WHEREAS, the Company and the Consultant (parties) desire to enter into an agreement, which will define respective rights and duties as to services to be performed,

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, the parties hereto agree as follows:

- 1. Consultant Services.** The Consultant is hereby retained by the Company for the purpose of securing customers for Lopoco products, management consulting, fund raising, business development, participation in meetings as requested by the Company, engagement and consultation with third party clients and suppliers to the Company, and such other responsibilities as shall be agreed by the parties from time to time (the "Services").
- 2. Compensation.** Subject to the terms and the conditions hereof, and in consideration of the "Services" to be performed by the Consultant hereunder, the Company agrees to pay the Consultant in accordance with the "Services" fees schedule set out in Appendix A Compensation. On a monthly basis, the Consultant shall submit an itemized invoice based on the unit shipments to customers on the "approved customer list" in Appendix A and for the Services, and/or any Additional Services, based on the payment terms as set forth in Appendix A, and any preauthorized expenses incurred. Unit shipments are defined as any/all Lopoco products shipped to and paid for by customers on the "approved customers list". Company will make available upon request audited monthly shipment schedules for the purpose of accurate Consultant invoicing. Company shall pay Consultant invoices 45 days after receipt of products by customer, except as noted hereunder regarding reimbursement of expenses. Any product returned for a refund by customer(s) within the normal warranty period shall require the return of all commissions paid by Company to Contractor for those products.

7. **Confidential Information.** The Consultant shall not, during the time of rendering services to the Company or thereafter, disclose to anyone other than authorized employees of the Company (or persons designated by such duly authorized employees of the Company) or use for the benefit of the Consultant or for any entity other than the Company, any information of a confidential nature, including but not limited to, information relating to: any such materials or intellectual property; any of the Company projects or programs; the technical, commercial or any other affairs of the Company; or, any confidential information which the Company has received from a third party so marked.
8. **Reporting.** Consultant shall monthly submit a copy of the reported service with the invoice or other request for payment.
9. **No Warranty.** Consultant does not make any warranty, express or implied, with respect to the Services rendered hereunder or the results obtained from Consultant's work, including, without limitation, any implied warranty of merchantability or fitness for a particular purpose. In no event shall Consultant be liable for consequential, incidental, special, or indirect damages, or for acts of negligence that are not intentional or reckless in nature.
10. **Severability.** Any provision of this Agreement which shall prove to be invalid, void, illegal, or unenforceable in any respect, shall in no way affect, impair, or invalidate any other provision hereof, and such remaining provisions shall remain in full force and effect.
11. **Amendment.** This Agreement may be amended only by a written amendment signed by each of the parties and attached hereto.
12. **Entire Agreement.** This Agreement contains the entire agreement of the parties with respect to the subject matter hereof, and supersedes any prior written or oral agreements between them concerning the same. There are no representations, agreements, arrangements, or understandings, oral or written, between the parties hereto, relating to the subject matter of this Agreement, which are not fully expressed herein.

13. **Governing Law.** All questions with respect to the construction of this Agreement, and the rights and liabilities of the parties hereto, shall be governed by the laws of the state of California.

14. **Notices.** All notices required or permitted to be given hereunder shall be in writing and, unless specified otherwise hereunder, shall be delivered personally or sent by first-class mail, postage prepaid, deposited in the United States mail, and if intended for the Company shall be addressed as follows:

212 Thompson Sq.
Mountain View, CA 94043

and if intended for the Consultant shall be addressed as follows:

Ken Cannizzaro
POB 1166
Los Gatos, CA. 95031

Either party may change its address by giving written notice thereof to the other in accordance with the provisions of this paragraph.

15. **Attorneys' Fees.** In the event of any controversy, claim, or dispute between the parties arising out of or relating to this Agreement or the breach thereof, the prevailing party shall be entitled to recover from the other party reasonable expenses, attorneys' fees, and costs.

16. **Arbitration.** Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration, and the arbitration shall comply with and be governed by the provisions of the California Arbitration Act, Sections 1280 et seq. of the California Code of Civil Procedure.

17. **Captions and Headings.** All captions and headings are for convenience and reference purposes only and shall not limit or expand the provisions of this Agreement.

18. **Binding Effect.** All terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of, and be enforceable by, the respective heirs, executors, administrators, legatees, legal representatives, successors, and assigns of the parties.

19. **Counterparts.** This agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

20. **Waiver of Rights.** A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the Effective Date.

CONSULTANT



Ken Cannizzaro

COMPANY

By _____

Name: _____

Title: _____

Appendix A Compensation

Description of

"Services Fees Schedule"

The "Services fees schedule" performed by the Consultant under this Agreement shall be paid at the commission rate specified in the Commission Table below of the net¹ sales price of Lopoco Server Products shipped to "Approved Customers List" which will be updated from time to time by agreement of the parties. Furthermore, the consultant shall be paid flat 10% commission on any professional services provided by Lopoco to members of the "Approved Customers List". Consultant will also receive 10% commission on these non-server products and services: extended warranties; pre-built racks (minus the servers); software and software installation services. Additional products and Services may be added by parties by mutual agreement in writing.

Commission table:

Unit price discount from list ² price	Commission rate
0 - 5%	7%
5.01% - 10%	5%
10.01 - 20%	4%
20.01 - 30%	2%
Greater than 30%	1%

Any purchase order for servers of \$1 million or more shall invoke a 1% additional commission to be added to the rates specified in the above table, payable retroactively after the full PO has been paid.

"Approved Customer List"

- Network Hardware Resale – Santa Barbara, CA.

¹Net sales price is the invoiced per unit value, less any discounts and allowances granted to "Approved Customers List"

²Non-discounted price as published on the Lopoco online web store.