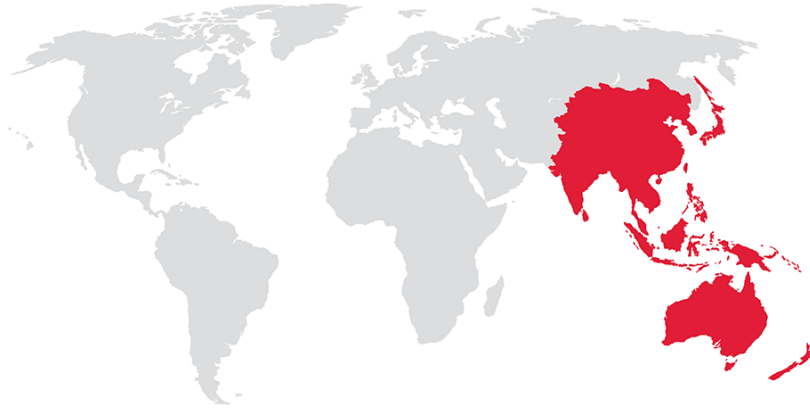




TERRITORY DEFINITION & EXPORT RESTRICTIONS

“APAC”

(Asian Pacific)



When used by NetAlly, LLC “APAC” shall mean the following countries:

Australia, Bangladesh, Bhutan, Brunei Darussalam, Cambodia, China, Hong Kong, Cook Islands, Fiji, India, Indonesia, Japan, Kiribati, Laos, Malaysia, Maldives, Marshall Islands, Micronesia, Mongolia, Myanmar, Nauru, Nepal, New Zealand, Pakistan, Palau, Papua New Guinea, Philippines, Russia, Samoa, Singapore, Solomon Islands, South Korea, Sri Lanka, Taiwan, Thailand, Timor Leste, Tonga, Tuvalu, Vanuatu, and Viet Nam.

“APAC” shall include (i) “Non-Self-Governing Territories”; or (ii) self-determined “Territorial Appurtenant(s)”, as determined by the U.N. General Assembly and recognized by the U.S. Government.

The definition of APAC *SPECIFICALLY EXCLUDES* the following countries for which, due to U. S. Government regulations, NetAlly products cannot be shipped:

North Korea.

All Partners located in China will sign an amendment to the Channel Partner Agreement which states that