

## TERMS AND CONDITIONS OF SALE

- 1. ACCEPTANCE** – The following are the Terms and Conditions upon which 13756378 CANADA INC. agrees to sell and deliver products to Buyer. Provisions and conditions of Buyer's order which are in any way inconsistent with or in addition to the provisions of these Terms and Conditions shall be inapplicable and not be binding upon 13756378 CANADA INC. unless specifically agreed to by 13756378 CANADA INC. in writing signed on behalf of 13756378 CANADA INC. by its authorized representative. No contract for sale shall be formed until 13756378 CANADA INC. issues a Sales Order Acknowledgement.
- 2. DELIVERY, TRANSFER OF TITLE AND RISK OF LOSS** – 13756378 CANADA INC. will deliver all products to Buyer FOB carrier (UPS/FedEx/DHL) at 13756378 CANADA INC.'S office. Title and risk of loss to the products shall pass to Buyer upon receipt by carrier. Unless otherwise agreed in writing, Buyer will be responsible for all shipping charges, premiums for freight insurance, and other transportation costs. Claims against a carrier for damage caused during shipment must be made by Buyer. The estimated delivery date will be as set forth in 13756378 CANADA INC.'S Sales Order Acknowledgement.
- 3. PAYMENT** – Terms are Net 30 days from date of delivery or date of 13756378 CANADA INC'S invoice, whichever is later. Late payments are subject to a 1.5% per month late charge. 13756378 CANADA INC. may, at its discretion, require an up-front payment, entire or partial, in the case of orders for custom manufactured or modified products.
- 4. CANCELLATIONS** – In the event Buyer cancels the contract embodied in Buyer's order and 13756378 CANADA INC'S Sales Order Acknowledgment in whole or in part, or such contract is cancelled by 13756378 CANADA INC. because of default by Buyer, then Buyer shall pay 13756378 CANADA INC. by reason of such cancellation or default for all damages sustained, including completed units, shipped or unshipped, at the current price applicable to the total quantity completed or uncompleted at time of default.
- 5. RESCHEDULING** – Buyer may reschedule delivery (one-time) of products ordered hereunder for delivery up to 30 days later than the original delivery date set forth in 13756378 CANADA INC'S Sales Order Acknowledgment without penalty, upon written notice to 13756378 CANADA INC. at least 30 days prior to the original estimated delivery date. Buyer agrees that rescheduled deliveries may incur storage and carrying charges.
- 6. CHANGES** – Buyer may by written notice to 13756378 CANADA INC. make changes within the general scope of the order in any one or more of the following: (a) drawings, designs, or specifications where the product to be supplied is specifically manufactured for Buyer; (b) method of shipping or packing; (c) delivery schedule and ship to address; and (d) quantity. The change request will be evaluated to determine its impact. During this evaluation period, unless specifically placed on hold by the Buyer, the order will continue to be processed in accordance with its original terms and these Terms and Conditions. If any such change causes an increase or decrease in the cost or time required for the performance or otherwise affects any other provision of the order, 13756378 CANADA INC. will notify Buyer in writing. If Buyer does not notify 13756378 CANADA INC. in writing that it accepts 13756378 CANADA INC'S proposed change to costs or timing within 2 days of 13756378 CANADA INC'S notice, Buyer's change request will be considered canceled. After an equitable adjustment in the price or delivery schedule or both and the order is modified in writing accordingly, 13756378 CANADA INC. will proceed to complete the order as changed. Buyer shall reimburse 13756378 CANADA INC. for product which is rendered obsolete including all material component cancellation fees, restocking fees, and handling charges; as well as, any labor costs reasonably incurred by 13756378 CANADA INC. as a result of the changes in scope of work.
- 7. MANUFACTURER'S LIMITED WARRANTY** – The products shall be free from defects in materials and workmanship for a period of one (1) year commencing on the date the product is delivered to Buyer. These warranties are effective only if 13756378 CANADA INC. receives notice of such defect via a request for an Return Material Authorization ("RMA") number issued by 13756378 CANADA INC. within one year from the date of shipment and shall not apply to any product or part thereof that is defective, or unworkable due to abuse, mishandling, misuse, accident, alteration, negligence or improper installation. A product will not be accepted for return unless clearly marked with a RMA number and properly packaged. Buyer's sole remedy for breach of warranty shall be limited to the replacement or repair, at

the discretion of the manufacturer, of any product found by the manufacturer or 13756378 CANADA INC. not to conform to the warranty set forth in this Section 7.

THE WARRANTY SET FORTH IN THIS SECTION 7 IS EXCLUSIVE AND IN SUBSTITUTION FOR ALL OTHER WARRANTIES NOT EXPRESSLY SET FORTH HEREIN, WHETHER EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO OTHER PERSON, FIRM OR CORPORATION IS AUTHORIZED TO ASSUME FOR 13756378 CANADA INC. ANY OTHER LIABILITY IN CONNECTION WITH THIS SALE.

8. **TAXES** – In the event any sales tax, manufacturer's tax, or other tax is applicable to any shipment made on Buyer's order, such tax shall be added to the selling price and shall be paid by Buyer.
9. **LIMITATION OF LIABILITY** – In no event shall 13756378 CANADA INC. be liable for indirect, incidental, consequential, special, or punitive damages of any kind or nature arising out of or relating to these Terms and Conditions or connected with or resulting from the manufacture, sale, delivery, resale, repair, replacement, or use of any products or the furnishing of any service or part thereof, whether such liability is based on contract, tort, negligence, strict liability or otherwise, even if such party had been warned of the possibility of such damages.

The cumulative liability, if any, of 13756378 CANADA INC. for direct damages arising under any provision of these Terms and Conditions or any contract formed pursuant hereto and under any theory of liability with respect to the products is limited to an amount not to exceed the price paid by Buyer for the particular product giving rise to the liability. The right to recover damages within the limitations specified in this Section 9 is Buyer's exclusive alternative remedy in the event any other contractual remedy fails in its essential purpose.

10. **FORCE MAJEURE** – 13756378 CANADA INC. will not be in default with respect to these Terms and Conditions or any contract formed pursuant hereto because of any failure or delay if the failure or delay is due to any occurrence beyond its reasonable control, including acts of God, acts of government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, civil commotion, war or war-like operation, acts of terrorism, invasion, military or usurped power, sabotage, and severe weather condition.
11. **INDEMNIFICATION** – Buyer hereby specifically agrees to hold 13756378 CANADA INC. harmless and indemnify 13756378 CANADA INC. against any and all claims for damages or profits, and for all costs and attorney's fees incurred by 13756378 CANADA INC. resulting from any suit or suits arising from alleged infringement of patents, designs, copyrights or trade-names with respect to all goods manufactured either in whole or part to Buyer's specifications.
12. **ASSIGNMENT** – Buyer shall not assign in whole or in part any of its rights and obligations with respect to these Terms and Conditions or any contract formed pursuant hereto without the express written consent of 13756378 CANADA INC.
13. **ATTORNEYS' FEES** – If either 13756378 CANADA INC. or Buyer retains legal counsel to enforce any of these Terms and Conditions, or to recover damages from the other, arising from the other's alleged breach of these Terms and Conditions, or the other commences a suit against 13756378 CANADA INC. or Buyer for any alleged breach of contract that is not successful, then the other party shall pay the reasonable attorneys' fees together with cost of suit at both trial and appellate levels of either 13756378 CANADA INC. or Buyer, as the case may be.
14. **APPLICABLE LAW; JURISDICTION** – The validity, interpretation, performance of these Terms and Conditions shall be governed by the laws of Dominion of Canada, and the Province of Ontario, without giving effect to their conflict of laws provisions. 13756378 CANADA INC. and Buyer irrevocably agree and consent that the provincial courts of Ontario shall have exclusive personal jurisdiction over the parties and proper venue with regard to any claims arising in connection with the purchase, sale or performance of any product, and any objection to the jurisdiction or venue of any such court is hereby waived. The application of the U.N. Convention on Contracts for the International Sale of Goods (CISG) is hereby expressly excluded.