

STANDARD TERMS AND CONDITIONS OF SALE

These terms and conditions of sale (these "Terms") governs the sale of the Goods by the Seller to the Buyer. Any accompanying quotation, confirmation of sale or invoice (the "Order Confirmation" and these Terms (collectively, this "Agreement") comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral.

- 1. The terms of credit, as outlined in the Order Confirmation, are subject to change solely at the Seller's option. All orders are subject to credit approval by the Seller. Seller may, at its option, decline to make further delivery if payment is not made in accordance with the invoice or credit terms allowed to the Buyer, or if the Seller has any doubt, at any time, as to the Buyer's financial condition or responsibility. Seller may decline to make further deliveries except upon receipt of cash or satisfactory security. If notes or drafts or other paper are accepted by the Seller in part or full payment of any invoice, such acceptance by Seller is conditioned upon payment thereof when due, and all notes, drafts or other paper may become due, at Seller's option, upon Buyer's default in payment on any one or more notes, drafts or other paper issued in full or part payment of the invoice. Buyer agrees to pay any collection fees, including reasonable attorney fees and expenses, in the collection of such monies.
- 2. Shipping or delivery dates herein are estimated dates and are not binding on Seller. Seller is not responsible for failure to ship or delays in shipments due to strikes, accidents or other or different causes beyond Seller's control. Buyer agrees to accept such shipments from Seller after said causes have ceased to exist. Orders, particularly for custom manufactured products, are not subject to cancellation by the Buyer except on terms agreed to by the Seller. Seller will not defer shipment of any order when ready unless Buyer indemnifies Seller against such costs or losses which may result therefrom.
- 3. Any Municipal, City, State, Provincial, Federal or other tax (but excluding income taxes), which the Seller may be required to pay to any Government (National, Federal, Provincial, State or Local) under any present or future law, on the sale, production or transportation of the articles covered herein, shall be in addition to the quoted purchase price and shall be paid to the Seller by the Buyer.
- 4. <u>Limitation of Liability and Remedies</u>: The liability of the seller arising out of the sale or supply of the product or its installation or use, whether based on warranty, contract, tort or otherwise, and whether or not arising as a result of the negligence or gross negligence of the seller shall not exceed the then current purchase price for that portion of the product being replaced. The seller's sole and exclusive responsibility is to deliver the product as ordered and the exclusive remedy of the buyer, for any breach of warranty, for defects or deficiencies in the product or for any other reason, is for the replacement of the deficient product at the aforementioned purchase price. In no event shall the seller be liable for any indirect, incidental, consequential or special damages sustained by the buyer or any other person or party in connection with the purchase, installation or use of the product. The buyer assumes all risk and liability of every kind and nature arising from the use of the product delivered whether used singly or in combination with any other products by the buyer or any other person or party.

- 5. No liability shall result from delay of performance or nonperformance, directly or indirectly caused by circumstances beyond the control of the party affected. This includes, but is not limited to, Act of God, fire, explosion, war, act of any Government, accident, labor trouble or shortage, inability to obtain material, equipment or transportation, failure of usual source of supply or transportation mode. Quantities so affected may be eliminated from the agreement without penalty or liability, but the agreement shall remain otherwise unaffected. Seller shall have no obligation to purchase supplies of the product specified herein to enable it to fulfil this agreement.
- 6. Buyer's insolvency or commission of any act of bankruptcy, including the filing of a voluntary or involuntary petition under the Bankruptcy laws of either Canada or the United States, or any other country the Buyer is resident in, the appointment of a receiver for Buyer, or an assignment for the benefit of creditors of Buyer, shall give to Seller the right to terminate the order without liability or obligation of Seller.
- 7. If any of the product covered by this agreement is sold to the Buyer under a Consignment Agreement with the Seller, the Buyer acknowledges the right of the Seller, at its sole discretion, to file for the applicable security protection, for such product under the Personal Property Security Act (Ontario) or the Uniform Commercial Code (United States), whichever is applicable. Buyer recognizes that title to said consignment product does not pass to it until the product is invoiced to it under the terms and conditions of the Consignment Agreement between the parties. Above, that it will not remove any quantities of any product from the inventory consigned to it in excess of the average quantity of any product removed from the consignment, based on the previous eight (8) weeks of consumption.
- 8. From time to time, the Seller may issue the Buyer a Rebate or Credit. Such Rebates or Credits will be posted to the Buyers Sales Account at the time of issuance. If, after a period of 6 months, the Buyer does not process or deduct such Rebates or Credits from their Account, the Rebates or Credits will expire and no longer be valid. The Rebates or Credits will be reversed from the Buyers Sales Account if not utilized after a period of six (6) months.
- 9. This agreement is not assignable or transferable by the Buyer, in whole or in part, except with the prior written consent of the Seller. Seller reserves the right to sell, assign, or otherwise transfer its right to receive payment under this agreement.
- 10. The Seller and Buyer attorn to the exclusive jurisdiction of the courts of the State of Illinois. The Buyer and Seller further confirm that this agreement shall be governed by the laws of the State of Illinois, as the case may be. Buyer shall be liable for Seller's costs, expenses and Attorney's fees if the Buyer is adjudged to be at fault.