

Terms and Conditions of Sale

1. PURCHASING - GENERAL TERMS & CONDITIONS

Purchase Orders: These Terms and Conditions shall be part of and apply to each Purchase Order ("PO", ") that MCii Inc. or its affiliated companies ("Seller") may issue together with all specifications attached hereto ordered hereunder and shall constitute the entire and final agreement between Seller and Buyer with regard to the subject matter hereof. Terms and Conditions shall be a binding contract ("Contract") between the Parties. If any provision on the face of this Order (including any specifications referred to thereon) is inconsistent with any of the terms and conditions set forth herein, the provision on the face of this Order shall govern. No other agreement or understanding in any way purporting to modify the terms and conditions hereof shall be binding upon Seller unless agreed to by Seller in writing on or subsequent to the date of this Order. Seller hereby rejects any terms and conditions which may now or hereafter appear on Buyer's invoices, quotations, acknowledgements or other forms, and any acceptance of shipments, payments or other similar act of Buyer shall not be construed as Seller's acceptance of any such terms and conditions.

2. **Acceptance of Contract:** Buyer's consent and acceptance of this Contract shall occur upon the earlier of (i) a written acceptance via e-mail or otherwise of the PO; or (ii) the commencement of the performance by Seller of any Services or Work or delivery of Goods. upon issue by Seller of its standard form of acknowledgement of order (and any condition of sale set out in such standard form shall not apply unless Buyer expressly consents in a contract document originating from Buyer); (c) upon Seller retaining this Order for ten (10) days without making written objection thereto; or (d) by shipment or performance of all or any part of the Products. No change or modification to the PO (including any additional or different terms in Seller's acceptance) shall be binding on Buyer.

3. **Changes:** The PO may only be altered, modified or amended by a written acknowledgment of such change by both Parties (via e-mail or otherwise) which will be incorporated in the PO as a Change Order. Notwithstanding the above, Buyer through its authorized Representative, as indicated on the PO may, at any time by written notice, make changes that are within the general scope of the PO and specifically relate to: Specifications (as that term is defined herein); method of shipment or packing; place of inspection; acceptance or delivery point; delivery schedule and quantities of Goods, Work and Services, amount of Buyer furnished materials. Should any such change cause an increase or decrease in the cost of performance, or the time required for performance of the PO, an equitable adjustment to the PO shall be agreed between the Parties followed by a Change Order. Buyer shall be deemed to have waived any claim for adjustment unless asserted in writing accompanied by a firm quotation including the cost or the additional time required for performance of the change within ten (10) days from receipt by Seller of notification of the change. However, nothing in this clause will excuse the Seller from proceeding with the PO as changed. Notwithstanding the foregoing, **Buyer may, at its discretion, automatically change the PO delivery schedule with no cost impact if the change does not impact a delivery schedule date due within the next four week time period ii) Seller will use its best efforts to change delivery dates that are due within the next four weeks, and Buyer will not hold Seller liable if the Goods are not delivered per the best effort delivery commitments.**

4. **Price and Payment:** a) Full payment is due promptly upon placing an order on this website. For all other orders, upon approval of credit, corporate standard terms of payment are net thirty (30) days from the date of invoice unless otherwise specified in writing by Seller. In addition, Buyer will be deemed to have accepted an invoice upon the fifteenth (15th) day from the date of invoice and no further objections to the invoice will be permitted or accepted. If Seller otherwise specifies in writing payment terms longer than thirty (30) days from the date of invoice, then: (i) the invoice will be deemed accepted upon the thirty (30th) day from the date of invoice and no further objections will be permitted or accepted; and (ii) Buyer must certify within thirty (30) days from the date of invoice that payment has been submitted for processing. Seller may invoice each shipment separately and each

shipment shall be considered a separate and individual contract. Buyer agrees to pay such invoice pursuant to its terms without the benefit of setoff or deduction.

(b) All late payments shall be charged interest computed on a daily basis from the due date until paid in full. A late charge of one and one-half percent (1 1/2%) per month or the maximum rate permitted by applicable law, whichever is less, will be imposed on all past due accounts. Buyer shall be liable for costs of collection, including reasonable attorneys' fees and court costs, in any action to collect past due amounts.

(c) Transportation charges from Seller's facility to Buyer's facility shall be paid by Buyer to Seller, in addition to the purchase price of the Product, unless otherwise agreed to in writing by Seller. Seller will select the carrier in the absence of specific instructions by Buyer.

(d) Seller reserves the right to establish and/or change credit and payment terms extended to Buyer when, in Seller's sole opinion, Buyer's financial condition or previous payment record warrants such action. Further, on delinquent accounts, Seller shall not be obligated to continue performance under any agreement with Buyer.

(e) If Seller believes in good faith that Buyer's ability to make payments may be impaired or if Buyer shall fail to pay any invoice when due, Seller may suspend delivery of any order or any remaining balance thereof until such payment is made or cancel any order or any remaining balance thereof, and Buyer shall remain liable to pay for any Products already shipped.

(f) Seller retains a purchase money security interest in the Products delivered to Buyer, and in their accessories, replacements, accessions, proceeds and Products, including accounts receivable (collectively, the "Collateral") to secure payment of all amounts due under this Agreement. Buyer's failure to pay all amounts hereunder in full when and as due shall constitute a default hereof and shall give Seller all rights of a secured party. If Buyer fails to pay any amount when due, Seller shall have the right to repossess and remove all or any part of the Collateral from Buyer, but not from Buyer's Customers. Any repossession or removal shall be without prejudice to any other remedy of Seller hereunder, at law or in equity. Buyer agrees, from time to time, to take any act and execute and deliver any document (including, without limitation, financing statements) reasonably requested by Seller to transfer, create, perfect, preserve, protect and enforce this security interest.

(g) Any payment received from Buyer may be applied by Seller against any obligation owing from Buyer to Seller, regardless of any statement appearing on or referring to such payment, without discharging Buyer's liability for any additional amounts owing from Buyer to Seller, and the acceptance by Seller of such payment shall not constitute a waiver of Seller's right to pursue the collection of any remaining balance.

5. **Title and Risk:** Title to the Products shall pass to Buyer upon acceptance of the Products by Buyer. All risk of damage to, loss or destruction of the Products shall pass to Buyer upon delivery of the Products to Buyer at the place of delivery designated by Buyer and Seller shall maintain appropriate insurance to cover such risks until delivery as aforesaid.
6. **Delivery:** Time is of the essence for Seller's performance of its obligations hereunder, and Seller acknowledges that its Goods may be used in a "just-in-time" environment. The Goods, Work and/or Services shall be delivered complete on the delivery date(s) and place(s) specified on the PO unless otherwise requested by Buyer.
7. **Packing and Shipping:** The Goods shall be, packaged and shipped as specified on the PO as well as in accordance with all laws, corporate and industry standards respecting the safe and proper handling, packing, transportation, delivery, use or mode of employment of such Goods and, in the event of any conflict amongst any of them, the most stringent provisions shall apply. Separate

invoices indicating PO number, line item number(s), quantity, unit price and extended value are required for each PO. Separate packing lists, Certificates of Compliance and any necessary export, import or other permits or licenses if applicable are required for each PO and must accompany each shipment. The location of the packing slip must be clearly marked on the container. The complete PO number shall appear on all documents. If Seller ships Products from a place of origin located outside Canada, Seller shall, in the case of railway and ocean freight, attach four Canada Customs invoices to the bill of lading and, by registered mail, mail one copy of such Canada Customs invoice and the commercial invoice directly to Buyer. All Products shipped in less than carload or truckload shipments shall be numbered and the number shown on the Canada Customs invoices. Any demurrage charges incurred by Buyer on shipments as a result of Seller failing to comply with this section will be deducted from Buyer's payment to Seller. The Seller shall supply to Buyer updated Certificates of Origin with each shipment of Products hereunder and annually, as required by the North American Free Trade Agreement.

8. **Quality Assurance, Inspection and Acceptance:** (A) Buyer shall be considered to have accepted the Products upon the successful completion by Buyer or its representatives or agents of its final inspection and testing of the Products at the place of delivery designated by Buyer. The Seller agrees to abide by the quality standard provisions indicated on the PO and all deliveries shall be subject to inspection performed by the Buyer on receipt of the Goods, Work or Services. It is acknowledged by Seller that Buyer is not necessarily purchasing the Products for Buyer's own use, that such Products may be shipped directly to Buyer's customer, and in such circumstances that the final inspection and acceptance of the Products may be necessarily delayed. (B) Products rejected by Buyer as not conforming to this Order shall be returned to Seller at Buyer's expense, including transportation and handling costs.
9. **Termination for Default:** If Seller ceases, omits, refuses to perform or is in default in carrying out any of its obligations under the Contract and Buyer believes that such breach can be cured, the Buyer shall, prior to termination of the whole or part of this Contract or PO, give Seller notice of such default. The Seller shall have ten (10) calendar days (or more if authorized by Buyer) from the date of receipt of such notice in which to cure the default or satisfy Buyer that such default shall be cured within a period acceptable to Buyer. Upon failure to cure the default, Buyer may give Seller written notice of termination for default without prejudice to any of its other rights and recourses. Where (i) Seller becomes or is about to become bankrupt or insolvent, makes an assignment for the benefit of creditors or takes the benefit of any statute relating to bankrupt or insolvent debtors; (ii) a receiver is appointed under a debt instrument; (iii) a receiving order is made against Seller; (iv) an order is made or a resolution passed for the winding up of the Seller; or (v) Seller breaches any of its obligations hereunder, Buyer may, upon giving notice to the Seller, immediately terminate the whole or any part of this Contract without prejudice to any of its other rights and recourses. Upon the termination of the Contract for default, or part thereof the Seller shall have no claim for further payment, but shall be liable to Buyer for any amounts paid by Buyer and for all direct losses and damages which may be suffered by Buyer by reason of the default or occurrence upon which the notice was based, including any increase in the cost incurred by Buyer in procuring the Product, or any part thereof, from another source.
10. **Excusable Delay:** A delay in the performance by either Party of any obligation under the Contract which is caused by an event which: (i) is an act of God, war, severe weather, or any other event which constitutes a superior force and is beyond the reasonable control of that Party, and without any fault on the part of the Party invoking it; and (ii) interferes with the performance of such Party's obligations; and (iii) the effects of which could not reasonably have been avoided by that Party shall, subject to the provisions of this clause, constitute an Excusable Delay. Except as otherwise provided herein, the following shall not be considered as events beyond the reasonable control of the Party attempting to claim Excusable Delay: (i) lack of financial resources of a Party; or (ii) any labour disturbances including strikes/lock-outs experienced by a Party. To claim an Excusable Delay, a Party shall notify the other Party in writing upon the occurrence of an event that has resulted or is

likely to result in an Excusable Delay and provide the other Party with an acceptable “work-around” plan within ten (10) calendar days of such facts coming to the attention of that Party. The other Party shall accept or reject such “work-around” plan in writing and, if accepted, the Party proposing the plan shall promptly implement such “work-around” plan at their sole expense. In the event of an Excusable Delay, any affected delivery date shall be postponed for such period as is reasonably necessary to offset the effects of the Excusable Delay. However, in no event shall the delivery date be extended by a time period longer than the time period in which the Excusable Delay was in effect. No adjustment will be made to the PO price; adjustment to the delivery schedule is the exclusive remedy of a Party in the case of an Excusable Delay.

11. **Confidential Information:** Under this Contract, “Confidential Information” shall mean information of a technical, scientific, strategic, corporate or commercial nature, including, without limitation, all Specifications, data, documents, computer software, programs, technology, concepts, processes, methodologies, samples, business plans, forecasts, products and accounting records, whether or not acquired through visits or discussions and whether or not covered by intellectual property rights, which is in the possession of or belonging to Buyer whether written or oral and whether or not explicitly designated as confidential: The obligations of confidentiality, use and non-disclosure referred to in this clause shall not apply to information which: (i) is or becomes publicly available through no fault of Seller; (ii) is independently developed by Seller without recourse to the Confidential Information provided hereunder; (iii) is obtained by Seller in good faith and on a non-confidential basis and without a use restriction from a third party who lawfully obtained and disclosed such information; or (iv) is required to be disclosed by law following advance notice to Buyer to allow for protection of its rights.
12. **Title:** Each Party shall retain ownership of its intellectual property rights existing prior to entering into this Contract. Unless otherwise agreed between the Parties, title and ownership to any Work shall vest in Buyer upon its delivery to Buyer. Buyer shall have all right to use, further develop and create derivative works or otherwise alter, sell, distribute or otherwise transfer the Work as part of products sold or services rendered by Buyer on a commercial basis.
13. **Limited Warranty and Limitation of Liability:** (a) Seller will transfer to Buyer any transferable warranties or indemnities that the manufacturer of the Product or the third party vendor/service provider provides to Seller. If such warranty is not transferable to Buyer, then SELLER shall warrant the Product or service in the same manner and to the same extent as if the original manufacturer warranty had been transferable to Buyer. SELLER SHALL HAVE NO LIABILITY TOWARDS BUYER BEYOND THE EXPRESS TERMS OF SUCH MANUFACTURER PRODUCT WARRANTIES. SELLER ASSUMES NO LIABILITY FOR THE QUALITY OF THE WORK PERFORMED OR SERVICES RENDERED BY THIRD PARTY VENDORS/SERVICE PROVIDERS. IT IS BUYER'S OBLIGATION TO REQUEST COPIES OF ANY APPLICABLE MANUFACTURER WARRANTIES AND BUYER SHALL BE DEEMED TO HAVE ACCEPTED SUCH WARRANTIES UPON ACCEPTANCE OF THE PRODUCTS AND/OR SERVICES.

(b) Seller's exclusive obligations with respect to a non-conforming Product or Service shall be, at Seller's option, to repair or replace the Product, if it is determined to be defective, or to re-perform the Service, or to refund to Buyer the purchase price paid for the Product or Service. Notwithstanding anything herein to the contrary, the liability of Seller under this Section 6(b) for all claims shall not exceed the sum of Buyer's payments for the Products or Services which are the subject of the dispute and the foregoing is Buyer's sole and exclusive remedy for all claims under this Section 6(b). THE FOREGOING WARRANTIES ARE THE SOLE WARRANTIES, EXPRESS OR IMPLIED, GIVEN BY SELLER IN CONNECTION WITH THE PRODUCTS AND SERVICES, AND SELLER DISCLAIMS ALL OTHER WARRANTIES, INCLUDING, BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS AND WARRANTIES AGAINST LATENT DEFECTS.

(c) Replacement Products shall be warranted as set forth in Section 6(a) above. Any Products repaired or serviced by Seller shall be warranted as provided in this Section 6(b) for the remainder of the manufacturer's warranty period.

(d) No warranty shall apply to any Product that has been subject to misuse, improper testing, assembly, mishandling, or which has been operated contrary to current instructions relating to installation, maintenance or operation, or contrary to industry standards relating to acceptable input power.

(e) Seller disclaims, and shall have no liability for any trademark, trade dress, trade secret, copyright, design or patent infringement, or any other intellectual property right, which may occur, as a result of the sale of Products to Buyer. The only remedy or recourse for trademark, trade dress, trade secret, copyright, design or patent infringement, or any other intellectual property right, shall be against the manufacturer of the Products which is explicitly subject to the limited warranty of the manufacturer of the Product. There shall be no remedy or recourse against Seller or the manufacturer to the extent the infringement arises from or is otherwise based upon (i) the manufacturer's compliance with the particular requirements of Buyer that differ from the manufacturer's standard specifications for the Product; (ii) modifications or alterations of the product other than by the manufacturer; or (iii) a combination of the Product with other items not furnished or manufactured by the manufacturer (f) BUYER SHALL NOT IN ANY EVENT BE ENTITLED TO, AND SELLER SHALL NOT BE LIABLE FOR, INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE INCLUDING, WITHOUT LIMITATION, BUSINESS INTERRUPTION COSTS, REMOVAL AND/OR REINSTALLATION COSTS, REPROCUREMENT COSTS, LOSS OF PROFIT OR REVENUE, LOSS OF DATA, PROMOTIONAL OR MANUFACTURING EXPENSES, OVERHEAD, INJURY TO REPUTATION OR LOSS OF CUSTOMERS, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. BUYER'S RECOVERY FROM SELLER FOR ANY CLAIM SHALL NOT EXCEED BUYER'S PURCHASE PRICE FOR THE PRODUCT GIVING RISE TO SUCH CLAIM IRRESPECTIVE OF THE NATURE OF THE CLAIM, WHETHER IN CONTRACT, TORT, WARRANTY, OR OTHERWISE. SELLER SHALL NOT BE LIABLE FOR AND BUYER SHALL INDEMNIFY, DEFEND AND HOLD SELLER HARMLESS FROM ANY CLAIMS BASED ON SELLER'S COMPLIANCE WITH BUYER'S DESIGNS, SPECIFICATIONS OR INSTRUCTIONS, OR MODIFICATION OF ANY PRODUCTS BY PARTIES OTHER THAN SELLER, OR USE IN COMBINATION WITH OTHER PRODUCTS. IF, FOR ANY REASON, THE FOREGOING LIMITATIONS ARE FOUND BY AN ARBITRATION PANEL OR COURT OF COMPETENT JURISDICTION TO BE INVALID OR INAPPLICABLE UNDER ANY APPLICABLE STATE OR PROVINCIAL LAW, BUYER AGREES THAT SELLER'S TOTAL LIABILITY FOR ALL DAMAGES, LOSSES, OR CAUSES OF ACTION OF ANY KIND OR NATURE SHALL BE LIMITED TO ACTUAL DAMAGES WITHOUT REGARD TO ANY PUNITIVE OR EXEMPLARY DAMAGES PROVIDED BY ANY SUCH APPLICABLE LAW.(g) Buyer acknowledges that this Agreement was entered into at arms length and that it was not fraudulently induced to enter into this Agreement, in whole or any part, and Buyer explicitly disclaims and waives any claim with respect thereto.

14. Limitation Period

Subject to any of the limitations expressed in the applicable manufacturer's warranty, no action by Buyer may be brought at any time for any reason against Seller or the manufacturer more than twelve (12) months after the facts occurred upon which the cause of action arose.

15. **Insurance:** Seller shall be responsible for maintaining, at Seller's expense, at all times during the term of this Contract, all insurance that a reasonable and prudent seller would carry for the provision of Goods, Work, or performance of the Services hereunder, and shall provide Buyer with proof of such insurance upon request.

16. **Notices:** Any notice, consent or other communication hereunder shall be given in writing hand delivered, by recognized courier or fax, or other form of electronic communication addressed to the

addresses or facsimile numbers set out on the face of this PO or at such other address or facsimile number as shall have last been designated by either party to the other. Any notice shall be conclusively deemed to have been received, if given by personal delivery, on the date and at the time of actual delivery thereof and, if given by electronic communication, on the first business day following the time of the transmittal thereof.

17. **Assignment:** This Contract shall not be assigned, subcontracted or otherwise disposed of, in whole or in part, by the Seller without the prior written consent of Buyer and any such assignment or disposition without Buyer's written consent shall be considered null and void. Buyer may assign this agreement in whole or in part at its sole discretion.
18. **Independent Contractors:** The Parties hereto are independent contractors engaged in the operations of their respective businesses, Neither Party is, or is to be considered, as the agent or employee of the other for any purpose whatsoever. Neither Party has the authority to enter into contracts or assume any obligations for the other Party or make any warranties or representations on behalf of the other Party. Nothing in the PO shall be construed to establish a relationship of copartners or joint venture between the Parties.
19. **Severability:** If any term or provision of this Contract is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Contract shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify the PO so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner, in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible. Headings are included for convenience only and shall not affect the interpretation of this Master Agreement.
20. **Waiver:** A Waiver by Buyer or Seller of any of its rights hereunder shall be effective only if it is expressed in writing and signed by Buyer and/or Seller.
21. **Governing Laws:** These terms and conditions shall be governed and interpreted in accordance with the laws of the Province of Quebec and the laws of Canada applicable therein, without reference to its conflict of law rules. The Parties also agree to specifically exclude the application of the United Nations Convention on Contracts for the International Sale of Goods, 1980, as may be amended.
22. **Disputes and Jurisdiction:** The Parties shall attempt to resolve any disagreements, disputes, controversies or claims arising out of, or relating to this Contract, or the breach, termination, invalidity or interpretation of any part hereof, by escalating the matter through their respective management structures. The Parties will use all efforts in good faith to resolve the dispute. If the Parties cannot resolve the dispute with ninety (90) days of commencement, the Parties will be free to submit any dispute related to the acceptance, interpretation or execution of this Contract to the courts of the Province of Quebec, District of Montreal. Each of the Parties irrevocably and unconditionally consents to the non-exclusive jurisdiction of each such courts of the Province of Quebec in any such suit, action or proceeding. Pending final resolution of any dispute or appeal hereunder, the Seller shall proceed diligently with the performance of its obligations under this Contract as directed by the Buyer. With respect to all disputes, the provisions of the United Nations Convention on Contracts for the International Sale of Goods 1980 (as amended, replaced or codified from time to time) shall not apply.
23. **Language:** The Parties declare that they have requested and hereby confirm their express wish that this Contract as well as any present and subsequent documents attached thereto, be drawn up in the English language. Les parties déclarent qu'elles ont demandé et par les présentes confirment leur

désir exprimés que cette convention ainsi que les documents actuels et futurs s'y rattachant soit rédigée en anglais.

24. **Entire Agreement:** This Contract, with all documents referred to herein, constitutes the entire agreement between the Parties and supersedes and replaces all prior discussions, representations, understandings or agreements whether verbal or written, between the Parties hereto or their agents, with respect to or in connection with the subject matter hereof save and except for the provisions of any confidentiality agreements whether verbal or written, between the Parties hereto or their agents, which, by their nature or wording, are intended to remain in full force and effect.
25. **Force Majeure :**Force Majeure: Seller shall not be liable for its inability to secure sufficient quantities of any Product or failure to deliver due to causes beyond Seller's reasonable control including, but not limited to, acts of God, natural or artificial disaster, riot, war, strike, delay by carrier, shortage of Product, acts or omissions of other parties, acts or omissions of civil or military authority, Government priorities, changes in law, material shortages, fire, strikes, floods, epidemics, quarantine restrictions, acts of terrorism, delays in transportation or inability to obtain labor, materials or Products through its regular sources, which shall be considered as an event of force majeure excusing Seller from performance and barring remedies for non-performance. In an event of force majeure condition, the Seller's time for performance shall be extended for a period equal to the time lost as a consequence of the force majeure condition without subjecting Seller to any liability or penalty. Seller may, at its option, cancel the remaining performance, without any liability or penalty, by giving notice of such cancellation to Buyer.