

1-2220 ARGENTIA ROAD MISSISSAUGA, ONTARIO

L5N 2K7

PHONE: (905) 821-3591 TOLL FREE: (800) 268-9444 FAX: (905) 821-7260

TERMS AND CONDITIONS OF SALE

- 1. PRICES All goods and services purchased will be billed at the seller's prices in effect on the shipping date. The buyer is to accept the seller's certification of the applicable prices.
- 2. TAXES Prices of the goods and services purchased are exclusive of all local, provincial or federal taxes, including, without limiting the generality of the foregoing, goods and services taxes, harmonized sales taxes and taxes on manufacture, sales, receipts, gross income, occupation, use and similar taxes. Applicable taxes will be billed to and paid by the buyer.
- 3. DELIVERY Estimates as to shipping dates are based upon conditions when quoting on or accepting an order and cannot be guaranteed. The seller shall not be liable for damages due to delays arising from intervening events beyond its control, including, without limiting the generality of the foregoing: fire, flood or storm; accident, riot, civil disturbance, demonstration, war, rebellion, revolution, terrorism or criminal activity; blockade, boycott, embargo, strike, lockout, labour unrest or job action, whether by way of legislation, regulation, order, directive, declaration, ruling, finding, advisory or proclamation; or judicial or administrative action, whether by way of judgment, order, declaration, ruling, finding or injunction. Where such an intervening event prevents delivery as originally contemplated, the buyer shall accept delivery upon the seller determining the status of the intervening event to be such as to enable the seller to ship.
- 4. SHIPMENTS Unless otherwise specified in writing, delivery of the goods ordered shall be made FOB point of shipment. In all cases title shall pass to the buyer immediately upon delivery to the carrier and risk of loss or damage to goods in transit shall fall upon the buyer, whose responsibility it will be to file claims with the carrier.
- 5. WARRANTY No oral or statutory or implied warranties other than as to title shall apply to goods sold by the seller to the buyer. The seller's liability to the buyer for any breach of warranty shall in any event be limited to replacing defective goods, or goods which fail to conform to the specifications therefore, FOB its plant or such other point as it may designate, or refunding the purchase price of any such goods, provided that written notice of such defect or failure must be received by the seller from the buyer, in the case of telephone wires and cables, within the earlier of one year from installation date or two years from the shipping date, and in the case of any other goods, within 15 days of the shipping date; and further provided that, in the case of such other goods which have been resold or used, the buyer shall be barred from making or in any way relying on any claim for breach of warranty. Failure to give written notice as required in this paragraph shall operate as an absolute bar to the buyer from making or in any way relying on any claim for breach of warranty.
- 6. DAMAGES The seller's liability to the buyer shall under all circumstances be limited to refunding the purchase price of goods. Without limiting the generality of the foregoing, the seller shall not be liable for any other damages whatsoever, whether general, special, exemplary, punitive or consequential in nature, arising from any unsuitability of the goods sold hereunder to be used for any purpose whatsoever.
- 7. PATENTS The buyer shall indemnify and hold the seller harmless against any expense or loss incurred by the seller by reason of patent infringement arising from the seller's compliance with the buyer's instructions or specifications for or descriptions of the design and manufacture of the goods purchased.
- 8. SPECIFICATIONS The seller reserves the right to vary from its published specifications for descriptions of the design and manufacture of the goods purchased whenever such variance is

necessary to comply with government action, whether by way of legislation, regulation, order, directive, declaration, ruling, finding, advisory or proclamation; or judicial or administrative action, whether by way of judgment, order, declaration, ruling, finding or injunction; or whenever for any other reason the seller deems advisable. In any event, irrespective of the specifications for or descriptions of the design and manufacture of the goods as may from time to time be established by the seller and irrespective of any instructions or specifications for or descriptions of the design and manufacture of the goods established by the buyer, the goods purchased shall comply with such prevailing legal requirements, whether established by way of government legislation, regulation, order, directive, declaration, ruling, finding, advisory or proclamation; or by way of judicial or administrative proceedings, whether by judgment, order, declaration, ruling, finding or injunction, as may be within the seller's knowledge from time to time. Where required by the contract to certify that the goods are in compliance with the specifications therefore, the seller shall so certify and shall be required to provide no further or better evidence of compliance.

9. QUANTITIES – Unless this term is modified in the manner required by the terms of paragraph 16 below, the seller reserves the right to ship and bill more or less than the quantity of goods ordered by the buyer according to but within the following table:

Goods	More	Less
A. Telephone and signal cable	10%	10%
B. Vinyl insulated hook-up wire and cable:		
Less than 4000 feet	20%	5%
4000 to 39999 feet	10%	5%
40000 feet and over	5%	5%
C. Teflon insulated wire and cable	10%	10%
D. Tubing and dielectric materials	10%	10%

- 10. TOOLS AND DEVELOPMENT CHARGES All tools, dies, jigs, fixtures, equipment, machinery, etc. remain the exclusive property of the seller regardless of any charge made to cover labour and expense involved in making, acquiring or altering such tools, dies, jigs, fixtures, equipment, machinery, etc.
- 11. VARIANCES AND CANCELLATIONS Orders accepted by the seller are not subject to variances or cancellation by the buyer except with the seller's written consent given in a manner analogous to that required by the terms of paragraph 16 below.
- 12. TERMS OF PAYMENT Time for payment, including payments for shipments by way of partial fulfillment of an order, is to be calculated from the date of the invoice for each shipment. In the event that the buyer is in breach of the terms of payment relating to any shipment, the seller's obligation to the buyer to make any further shipments by way of fulfillment of any unfulfilled order of the buyer is suspended until such time as the seller in its absolute discretion, is satisfied with respect to both any such breaches and the buyer's future credit worthiness.
- 13. ERRORS AND OMISSIONS Errors and omissions are expected and subject to rectification.
- 14. LAWS This contract shall be governed by the laws of the Province of Ontario, Canada.
- 15. INTEREST Interest at the rate of 2% per month compounded monthly (26.8242% when expressed as an effective annual rate) will be payable on overdue accounts.
- 16. GENERAL In the absence of written acceptance of the se terms and conditions by the buyer and/or written consent of the seller (which terms must be set out in a document specifically entitled VARIANCE FROM STANDARD TERMS AND CONDITIONS OF SALE and dated and executed on behalf of the seller by a duly authorized director, officer or manager) to any variance from these terms and conditions, acceptance of any goods covered by the order shall constitute acceptance of these terms and conditions by the buyer and shall constitute the entire contract between the seller and the buyer. The seller's failure to object to provisions contained in the buyer's order or other communications inconsistent with these terms and conditions shall not be construed as a waiver of them by the seller