

TERMS AND CONDITIONS OF PURCHASE

1. Purchase Agreement. ACCUCAM ("Buyer") agrees to purchase from the organization specified herein ("Seller") and the Seller agrees to sell, the products, goods, equipment and parts relating thereto which are specified herein ("Goods"), upon these terms and conditions ("Agreement"). The Buyer and Seller together herein referred to as "Parties".

2. Acceptance. These terms and conditions, together with the purchase order, statement of work and any other documents specifically adopted by reference in any such documents, constitute the entire agreement between the Parties. This Agreement constitutes the Parties entire contractual agreement and supersedes any previous oral or written representations, including but not limited to provisions in Seller's quotations, proposals, acknowledgments or other documents. No course of dealing or usage of trade shall be applicable unless expressly incorporated in this Agreement. The terms of this Agreement may not be varied or modified in any manner, unless in a subsequent writing signed by an authorized representative of Buyer. Seller's written acknowledgment, commencement of work on the goods, or shipment of such goods, whichever occurs first, shall be deemed an effective mode of acceptance of this Agreement. All work is to be done and/or materials provided subject to an approved purchase order that is in the possession of the Seller prior to commencement of any said work. Any acceptance by Seller is limited to acceptance of the express terms set forth in this Agreement. Any proposal for additional or different terms or any attempt by Seller to vary in any degree any of the terms of this offer is hereby objected to and rejected. Any such proposal shall not operate as a rejection of this offer unless the variances are in the terms of the description, quantity, price or delivery schedule of the goods, but shall be deemed a material alteration. Accordingly, this offer shall be deemed accepted by Seller without such additional or different terms. If this Agreement shall be deemed an acceptance of a prior offer by Seller, the acceptance is expressly made conditional on assent to the additional or different terms and such acceptance is limited to the express terms set forth in this Agreement. Additional or different terms or any attempt by Seller to vary in any degree any of the terms of this Agreement shall be deemed material and are objected to and rejected.

3. Confidentiality. The parties acknowledge having entered into a Non-Disclosure Agreement (the "NDA"), prior to or concurrently with the issuance by Buyer to Seller of this Agreement. The NDA remains in full force and effect, and the terms and conditions of the NDA are incorporated herein by reference, and supersede the terms hereof, such that if there is a conflict between the terms and conditions of the NDA and these Conditions of Purchase, then the terms and conditions of the NDA will govern. All specifications, drawings, inventions, engineering notices, financial information, technical data, and/or equipment supplied by Buyer shall remain its property and shall be held in confidence by Seller. Such information shall not be reproduced, used or disclosed to others by Seller without Buyer's prior written consent, and shall be returned to Buyer upon demand or upon completion by Seller of its obligations under this Agreement. Any information that Seller discloses to Buyer with respect to the design, manufacture, sale, or use of the items covered by this Agreement shall be deemed to have been disclosed as part of the consideration for this Agreement, and Seller shall not assert any claim against Buyer by reason of Buyer's use of such information. Without obtaining the prior written consent of Buyer, Seller shall not advertise or publish the fact that Seller has contracted to furnish Buyer goods and services, or use any trademarks or trade names of Buyer in Seller's advertising or promotional materials. In the event of Seller's breach of this provision, Buyer shall have the right, among all other remedies, to cancel the undelivered portion of any goods or services covered by this Agreement and shall not be required to make further payments except for conforming goods delivered or services rendered prior to cancellation.

4. Price. If no prices are stipulated herein, the Goods shall be charged at the lowest prevailing market prices and in no event shall the price be higher than the lower of (i) the price last quoted or charged on the last invoice to Buyer, or (ii) the price currently charged by Seller to others for the same or like articles of equal or less quantities. Seller will not be paid for goods delivered or services performed that have not been authorized by an approved purchase order prior to the commencement of work or production. Unless otherwise agreed by Buyer, prices stipulated herein include all customs duties, transportation, packaging, packing, returnable containers, documentation, sales, use, excise and property taxes and similar charges.

5. Payments. The invoice for the Goods will be paid pursuant to the terms specified on the face of the Purchase Order. In the absence of such specified terms, the invoice will be considered payable within 60 days prox. In all cases, the date of

payment will be calculated from the later of (i) the date an acceptable invoice received by Buyer, or (ii) the date the Goods are received by Buyer in compliance with the Purchase Order. Invoicing shall contain the following information: purchase order number, ACCUCAM's part number (if any); item number: description of Goods; sizes; quantities; unit prices and extended totals. Seller shall present all invoices for goods and services on a timely basis. All invoices must be received by Buyer no later than ninety (90) days after the delivery of goods or completion of work. Time is of the essence in this regard. Any invoice received by Buyer later than said ninety (90) days shall be payable at Buyer's sole discretion. In addition to any right of setoff provided by law, all amounts due Seller shall be considered net of indebtedness of Seller to Buyer and its related companies. Buyer may deduct any amounts due or to become due from Seller to Buyer and its related companies from any sums due or to become due from Buyer to Seller, whether or not such amounts are attributable to this Agreement.

6. Time of Delivery. Time of delivery is of the essence. Without prejudice to Buyer's other rights, if any Goods are not delivered within the time or times required on the Purchase Order or such earlier delivery time or times as may be represented by Seller to Buyer, Buyer shall be entitled to terminate this Purchase Order in respect of any or all of the Goods undelivered as aforementioned and any or all other Goods already delivered which cannot be effectively and commercially used by reason of the non-delivery of the Goods undelivered as aforementioned. Upon such termination, Buyer shall, with limitation, be entitled (i) to return to Seller at Seller's risk and expense any of the Goods already delivered but which cannot be effectively and commercially used as aforesaid and recover from Seller any monies paid by Buyer in respect of such Goods, and (ii) to recover from Seller any additional costs incurred by Buyer in obtaining other Goods in replacement of those in respect of which the Purchase Order has been terminated.

7. Inspection Prior to Delivery. All Goods shall be subject to inspection and testing by Buyer to the extent practicable at all times and places including the period of manufacture, and in any event prior to final acceptance. If any inspection or test is made by Buyer on the premises of Seller, Seller shall without additional charge provide all reasonable facilities and assistance for the safety and convenience of Buyer's inspectors in the performance of their duties. No inspection or test made prior to final acceptance shall relieve Seller from responsibility for defects or other failure to meet the requirements of this Purchase Order.

8. Inspection and Rejection. The Goods are subject to inspection after delivery. Where the Goods do not conform to or have not been delivered or shipped in accordance with the Purchase Order, Buyer may reject such Goods, rework such Goods at Seller's expense or require Seller, at Seller's cost, to correct defects or replace such Goods. Goods so rejected may be returned to Seller or held by Buyer and in either event at Seller's risk and expense, and all costs, handling, transportation and other expenses both ways shall be payable by seller.

9. Shipment of Goods. The Goods must be shipped "FCA" (Incoterms 2010) Sellers dock, as required by the Purchase Order and shall be properly packed and secured. Without prejudice to Buyer's other rights, if the Goods are not so shipped, any additional shipping charges shall be payable by Seller.

10. When Goods Deemed Delivered. The Goods shall be deemed to have been delivered (and shall only be deemed to have been delivered) when the Goods have been actually received and accepted by Buyer at ACCUCAM's site.

11. Title and Risk. Without prejudice to any right of rejection or termination which may accrue to Buyer, title to the goods and all risk in connection therewith shall remain with Seller until such time as the Goods have been deemed to have been delivered in accordance with the Purchase Order.

12. Limitation on Buyer's Liabilities. In no event shall Buyer be liable to Seller for anticipated profits or for incidental, special or consequential damages. Buyer's liability for a claim of any kind or for any loss or damage arising out of or in connection with or resulting from this Agreement, or from any performance or breach, shall in no case exceed the price allocable to the goods or services or unit which directly gives rise to the claim.

13. Tools, Bailed Property. All supplies, materials, tools, jigs, dies, gauges, fixtures, molds, patterns, equipment, ancillary products and other items furnished by Buyer ("Tools"), to Seller to perform this Agreement, or for which Seller has been reimbursed by Buyer, shall be and remain the property of Buyer. Seller shall bear the risk of loss of and damage to Buyer's property. Buyer's property (a) shall at all times be properly housed and maintained by Seller, (b) shall not be used by Seller for any purpose other than the performance of this Agreement, (c) shall be deemed to be personal property, not a fixture, (d) shall be conspicuously identified as property of

Buyer, with specific reference to Buyer's indemnity and relevant part numbers, (e) shall not be commingled with the property of Seller or with that of a third party, and (f) shall not be moved from Seller's premises without Buyer's prior written approval. Upon the request of Buyer, such property immediately shall be released to Buyer or delivered to Buyer by Seller, either (a) "FCA" (Incoterms 2010) Seller's dock, properly packed and marked in accordance with the requirements of the carrier selected by Buyer to transport such property, or (b) to any location designated by Buyer, in which event Buyer shall pay Seller the reasonable cost of delivering such property to such location. Buyer shall have the right to enter onto Seller's premises at all reasonable times to inspect such property and Seller's records with respect to the property. Unless otherwise agreed by Buyer, Seller at its own expense shall furnish, keep in good condition, and replace when necessary all Tools. Seller shall insure the Tools with full fire and extended coverage insurance for replacement value. Buyer does not guarantee the accuracy of any tooling or dies or the availability or suitability of any supplies or material furnished by it. Seller agrees carefully to check and approve all tooling, dies or materials supplied by Buyer prior to using it. Seller shall assume all risk of death or injury to persons or damage to property arising from use of tools, dies or materials supplied by Buyer.

14. Express Warranties. With respect to the goods or services purchased under this Agreement, and all other goods or services purchased from Seller, Seller expressly warrants for the Warranty Period (12 months) as follows: (a) the goods shall strictly conform to all specifications, drawings, instructions, advertisements, statements on containers or labels, descriptions and samples; (b) the goods shall be free from defects in workmanship and material and shall be new and of the highest quality; (c) Buyer shall receive title to the goods that is free and clear of any liens, encumbrances and any actual or claimed patent, copyright or trademark infringement; (d) the goods shall be merchantable, safe and fit for the Buyer's intended purposes, which purposes have been communicated to Seller; (e) the goods shall be adequately contained, packaged, marked and labeled; and (f) the goods shall be manufactured in compliance with all applicable federal, state, provincial and local laws, regulations or orders, and agency or association standards or other standards applicable to the manufacture, labeling, transporting, licensing, approval or certification, including by way of illustration and not by way of limitation, the Occupational Health and Safety Act. These warranties shall be in addition to all other warranties, weather express, implied or statutory.

15. Patent etc. Indemnity. Seller agrees to defend, protect and hold harmless Buyer, its agents, vendees and all those using the Goods, against any and all demands and claims on account of infringements or alleged infringements of patented articles or inventions, copyright, registered or unregistered trademarks or other industrial, intellectual or proprietary rights of any person, and at Seller's own cost and expense defend all suits which may be brought on account of such infringements or alleged infringements, by reason of the use, sale or disposal of any goods, and to pay any and all fees, costs and damages resulting therefrom.

16. Indemnity. Seller covenants and agrees to indemnify and save harmless Buyer, its agents, vendees and all those using the Goods, from all claims, liabilities, losses or damages whatsoever to any person or property and expenses incurred or sustained arising from or by reason of the use, sale or disposal of any Goods which are defective in any respect whatsoever or not in compliance with this Purchase Order or by reason of Seller's failure to comply with this Purchase Order.

17. Insolvency of Seller. If Seller becomes insolvent or if Seller's financial condition is found to be or becomes unsatisfactory to Buyer, Buyer may terminate this Purchase Order and also terminate all other purchase orders covering purchases by Buyer of Seller's goods whether or not Seller may otherwise be in default, and no rights shall accrue to Seller against Buyer on account of such termination.

18. Excusable Delay; Force Majeure. Neither party shall be responsible for the delay in performance of its work where such delay is due to act of God, public enemy, compliance with laws, governmental acts or regulations, fire, act of civil or military authority, Governmental priority, flood, epidemic, war, riot, or other causes substantially similar to the foregoing beyond its reasonable control ("Excusable Delay"). Immediately upon the date the Seller first knows, or acting reasonably should have known, of the circumstances giving rise to an Excusable Delay, the Seller shall provide written notice requesting a schedule adjustment. The notice shall include complete details supporting the claim and all reasonable alternative courses of action in the case of any continued delay. Failure to provide timely notice shall be cause for Buyer to refuse to make a schedule adjustment for a belated notification. If any Excusable Delay lasts longer than five (5) days, Buyer may in its sole discretion terminate the Purchase

Order without liability.

19. Possible Problems and Changes. Seller must notify Buyer immediately if Seller learns of anything that might indicate a quality or safety issue with the Products or could cause Seller to violate any of Buyer's warranties. Seller must notify Buyer at least 90 days in advance of any proposed change in the Product's design, specification, materials, or site or method of manufacture, and Seller may only proceed upon our prior written consent.

20. Termination for Default. Without prejudice to any other rights or remedies which Buyer may have, Buyer may terminate the Purchase Order, in whole or in part, effective immediately and/or cancel further performance by Seller with notice to Seller in the event that any of the following occur: (a) the Seller fails to perform any of its obligations under or is in default of any provision or requirement of the Purchase Order (collectively, a "Default") and fails to cure the Default within five (5) business days of written notice of the Default from Buyer; (b) the Deliverables are not delivered on the specified date or if in the judgment of Buyer Seller will be unable to deliver Deliverables on the specified delivery date; or (c) the Deliverables supplied by Seller are not in conformance with the specifications. In the event of partial cancellation, the rights and obligations of Buyer and Seller with respect to the Deliverables not cancelled shall continue. In the event of default by the Seller, Buyer shall have the right to terminate this Purchase Order without further liability for Deliverables not delivered to Buyer. Seller shall indemnify and hold harmless Buyer and its customer from all costs, losses and claims resulting from Seller's default, including reasonable attorneys' fees.

21. Certificates of Origin. Upon request, Seller shall promptly furnish to Buyer all certificates of origin or domestic value-added and all other information relating to the costs and places of origin of the Deliverables and the materials and components contained therein or used in the performance thereof, as may be required by Buyer to comply fully with all customs, tariffs and other applicable governmental regulations. Seller shall comply with all such regulations. Seller shall indemnify and hold Buyer, its subsidiaries and affiliates, their respective successors, assigns, representatives, employees and agents, and Buyer's customer harmless from and against all liabilities, demands, claims, losses, costs, damages and expenses (including fines and penalties) arising from or as a result of: (i) Seller's delay in furnishing such certificates or other information to Buyer; (ii) any errors or omissions contained in such certificates; and (iii) any non-compliance by Seller with such regulations.

22. Insurance. Seller must maintain the following insurance coverages for the duration of its performance obligations under the Purchase Order:

- a) Commercial auto liability with a limit of liability not less than \$1 million per occurrence combined single limit for bodily injury and property damage of \$1 million, including owned, non-owned and hired automobiles;
- b) Commercial general liability with a limit of liability not less than \$1 million per occurrence combined single limit, including coverage for operations, completed operations, and products liability, with a \$2 million aggregate;
- c) Workers' compensation with statutory limits and Employer's Liability coverage with limits of at least \$1 million;
- d) Umbrella or excess liability insurance with a limit of liability not less than \$3 million per occurrence.

23. Compliance with Laws. Seller represents and warrants that the Goods and the Seller shall comply in all respects with the requirements of any applicable statutes, statutory rules, orders or regulations, or other instruments having the force of law.

24. Governing Law: The Purchase Order shall be governed by and interpreted in accordance with the laws of the Province of Ontario and Buyer and Seller submit to the jurisdiction of the Courts of the Province of Ontario.

25. Relationship of Parties. Seller and Buyer are independent contracting parties and nothing in this Agreement shall make either party the agent or legal representative of the other for any purpose whatsoever, nor does it grant either party any authority to assume or to create any obligation on behalf of or in the name of the other.

26. Severability. If any term of this Agreement is invalid or unenforceable under any statute, regulation, ordinance, executive order or other rule of law, such term shall be deemed reformed or deleted, but only to the extent necessary to comply with such statute, regulation, ordinance, order or rule, and the remaining provisions of this Agreement shall remain in full force and effect.

27. English Language. The parties have agreed at this contract as well as all documents and notices issued thereunder or relating thereto be drawn up in English.