

STANDARD TERMS AND CONDITIONS

1. General. The Terms and conditions included in this document constitute the entire agreement between the parties with respect to the subject matter hereof and supersede any prior representations or agreements, oral or written, and all other communications between the parties relating to the subject matter hereof, including the terms and conditions set forth on any purchase order issued by Buyer. All sales by Burtek Systems Corp., doing business as ADI-BURTEK (the "Seller") are expressly conditioned by and under these terms and conditions (the "Terms"). These Terms may in some instances differ with those affixed to Buyer's purchase order or other documents, if so, any additional terms or terms conflicting with these terms will not apply and are expressly rejected unless specifically set forth in a separate written agreement between the parties. Acceptance of Buyer's order is expressly conditioned upon Buyer's acceptance of or assent to these Terms, which shall be established by a written acknowledgment, by implication, or by acceptance or payment for products ordered hereunder. Seller's failure to object to provisions contained in any communication from Buyer shall not be deemed a waiver of these Terms. Any changes in these Terms must specifically be agreed to in writing and signed by an officer of Seller before becoming binding. Receipt by Buyer of any products sold hereunder shall be conclusively deemed acceptance of these Terms.
2. Shipment. All shipments are made F.O.B. Seller's shipping point (EX Works Incoterms 2000 for foreign customers) unless otherwise specified. Buyer will determine any export license requirements, obtain any export license or other official authorization, and carry out any customs formalities for the export of the goods. Buyer assumes all risk of loss in shipping and all liability for loss or damage, whether direct, indirect, consequential or otherwise, due to delays once the products have been delivered to the carrier. Title to products and risk of loss pass to Buyer upon shipment from ADI-Burtek's warehouse. Buyer agrees to purchase any and all insurance it deems necessary to indemnify it against any loss in shipping.
3. Delivery. Seller shall not be responsible for loss, damage, delay or failure with respect to the products if due to or arising from shortage of raw materials, fires, labour troubles of any kind, accidents, breakdown of machinery, government acts of any kind, failure of manufacturers, subcontractors or suppliers to deliver materials or supplies or to provide services as agreed or contemplated by past dealings, transportation difficulties of any kind, acts of God, acts of Buyer or anything reasonably beyond Seller's control, whether or not presently occurring or contemplated by either party. Seller shall not be liable for damages, general, consequential or otherwise, or for failure to give notice of any delay until it shall have such additional time within which to deliver the products as may be reasonably necessary under the circumstances and shall have the right to apportion its inventory among its customers in such a manner as it considers acceptable. Seller shall also have the right to deliver the products in installments.
4. Limited Warranty and Limitations. Products distributed by Seller are warranted by the third party manufacturer or pursuant to the terms of the warranty included in the packaging, for products manufactured by Seller, for a period as defined by the third party manufacturer or in such documentation included with such products. Seller assigns to the Buyer those warranties and only those warranties extended by such third party manufacturers or vendors for non-Seller branded products and provides only those warranties included in the packaging for Seller manufactured products. Seller does not itself warrant any products other than those it manufactures (and then solely pursuant to the terms and subject to the limitations set forth in the documentation included with such products) and sells all other products only on an as is basis.
5. THERE ARE NO REPRESENTATIONS, WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE, WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF. IN NO CASE SHALL SELLER BE LIABLE TO ANYONE FOR ANY PUNITIVE, CONSEQUENTIAL OR INCIDENTAL DAMAGES FOR BREACH OF THIS OR ANY OTHER REPRESENTATION, WARRANTY OR CONDITION, EXPRESS OR IMPLIED, OR UPON ANY OTHER BASIS OF LIABILITY WHATSOEVER, EVEN IF THE LOSS OR DAMAGE IS CAUSED BY ITS OWN NEGLIGENCE OR FAULT AND EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES. Seller does not represent that the products it manufactures or sells may not be compromised or circumvented; that the products will prevent any personal injury or property loss by burglary, robbery, fire or otherwise, or that the products will in all cases provide adequate warning or protection. Buyer understands and will cause its customers to understand that a properly installed and maintained alarm may only reduce the risk of a burglary, robbery or fire without warning, but it is not insurance or a guarantee that such will not occur or will not cause or lead to personal injury or property loss. CONSEQUENTLY, SELLER SHALL HAVE NO LIABILITY FOR ANY PERSONAL INJURY, PROPERTY DAMAGE OR OTHER LOSS BASED ON ANY CLAIM AT ALL INCLUDING A CLAIM THE PRODUCT FAILED TO GIVE WARNING. However, if seller is held liable whether directly or indirectly for any loss or damage with respect to the products it sells, regardless of cause or origin, its maximum liability shall not in any case exceed the purchase price of the product, which shall be fixed as liquidated damages and not as a penalty, and shall be the complete and exclusive remedy against the Seller.
6. Return and Repair Policies

Return for Credit Unused Product. At its option, Seller may accept as a return for credit unused product in its unopened original package and in a condition that could be sold as new providing the product was purchased from Seller no more than thirty (30) days prior to the date of return. Buyer must provide proof of purchase within the preceding thirty (30) days and method of payment. Buyer shall be responsible for any freight on returns and returns and product must be unopened and must include all original instructions and packaging within the original box. Special order items are, at Seller's option, non-returnable or may be returned and subject to a restocking fee. For non-returnable items, no return privileges apply.
7. Defective Product Replacement Policy.

Bad out of box:
Solely as a convenience to Buyer, and in Seller's sole discretion, any product that is initially defective (bad-out-of-box) may be exchanged for a new product at no charge to Buyer in accordance with the manufacturer's policy that is being passed along to Buyer by Seller or, at Seller's option, be returned for credit in accordance with the manufacturer's policy. Manufacturers' policies may vary. Buyer must provide a copy of the invoice number for the product being returned. Seller will, at Buyer's cost for freight, take the product and send it to the manufacturer. If the manufacturer determines that the product is not initially defective (bad-out-of-box) or not otherwise new or its inability to function properly is a result of user damage or abuse, Buyer shall pay Seller all charges relating to the product as well as the replacement product previously given or, if applicable, have any credit given to Buyer reversed.

Product for repair.

As a convenience to and on behalf of Buyer, in Seller's sole discretion, Seller may ship products for warranty or other service to the appropriate manufacturer in which event any repair, shipping or handling costs will be passed on to Buyer.

8. Taxes. Prices do not include any municipal, state, provincial or federal sales, use, excise, value added or similar taxes. Consequently, in addition to prices specified, the amount of any present or future tax that may be imposed shall be paid by Buyer, or in lieu thereof Buyer will provide Seller with a tax exemption certificate acceptable to the taxing authorities.
9. C.O.D. Purchases; Purchases on Credit; Security Interests. All freight charges shall be for Buyer's account on C.O.D. purchases whether products are accepted or not. With respect to purchases by Buyer on credit, Seller reserves the right at any time to revoke any credit extended to Buyer because of Buyer's failure to pay for any products when due or for any other reason deemed good and sufficient by Seller, and in such event all subsequent shipments shall be paid for on delivery. If an invoice is not paid when due, Buyer agrees to pay all costs of the collection including agency and legal fees, whether incurred in or out of court, on appeal, in arbitration, in Bankruptcy court, or in any insolvency proceedings.
10. Buyer grants to Seller a continuing, specific and fixed security interest (and, to the extent applicable, a purchase money security interest), and in Quebec a movable hypothec, in all of the Buyer's property, rights and assets of every nature and kind, now owned or subsequently acquired by the Buyer and at any time and from time to time existing or in which the Buyer has or acquires an interest, including all personal property (in Quebec movable), insurance policies, annuities, financial assets, accounts, chattel paper, contracts, documents of title, equipment, intangibles, inventory, investment property, money and proceeds, together with all increases, additions and accessions to any of them and all substitutions or any replacements of any of them (collectively, the "Secured Property"). For the Province of Quebec only, the hypothec created herein is for an amount equal to \$200,000. Buyer shall execute, at Seller's request, such other and further documents (including a general security agreement or in Quebec a Hypothec) as may be necessary or desirable to further evidence, perfect or amend such security interest. Upon any default by the Buyer in performing any or all of the agreements, warranties, representations, covenants and conditions of the Buyer made pursuant to these Terms or any other agreement between the Buyer and Seller from time to time, Seller may exercise all remedies available to it under applicable personal property security legislation and other applicable law and may also appoint a receiver, enter the Buyer's premises and repossess the Secured Property, dispose of the Secured Property as it sees fit, foreclose upon the Secured Property or otherwise deal with the Secured Property in such manner, upon such terms and conditions, at such time or times and place or places and for such consideration as may seem to Seller advisable and without notice to the Buyer. The Buyer acknowledges and consents to the filing by Seller of any financing statement deemed necessary or desirable by Seller under applicable personal property security legislation.
11. Interest on Past Due Accounts. Interest at the maximum legal rate of 1 1/2% per month (18% per annum), or the maximum amount permitted to be charged by law, whichever is less, will be charged on overdue accounts and on any judgments obtained. Upon the failure to pay any invoice in full, the due date of any other open invoices to Buyer shall be automatically accelerated, and they shall become immediately due and payable and bear interest at the Rate as of the date of acceleration. Seller reserves the right to revoke credit privileges and close an existing account without notice. Seller reserves the right to terminate the AIR MILES® reward miles program at any time. Seller reserves the right to restrict AIR MILES® collector participation for approved employees and/or principals of Seller's customers. Verification of the AIR MILES® collector's status with Seller's customers may be required. Seller may in its discretion refuse to issue AIR MILES® in connection with any purchase if Buyer's account is more than 30 days past due. If Buyer fails to pay for goods purchased within 90 days following the date of purchase or fails to respond with payment following a demand, Seller may deduct from Buyer's AIR MILES® account the amount of any AIR MILES® issued in respect of the purchase of such goods.
12. Waiver. No waiver by Seller of any of these Terms shall be deemed to constitute a waiver of any other Terms or a waiver of the same or any other provision with regard to portions of this transaction or future transactions. No waiver by course of conduct or custom usage can occur.
13. Error. Stenographic and clerical error and omissions in the invoice are subject to correction.
14. Applicable Law and Jurisdiction. The Terms shall be deemed governed by the laws of the Province of Ontario and the laws of Canada applicable therein (save and except for the hypothec provided in Section 10 above which shall be governed by the laws of the Province of Quebec) and such laws shall govern its validity, performance and construction. The Ontario General Division Courts in Toronto, Ontario shall have non-exclusive jurisdiction of any claims arising out of these Terms or any product order.
15. Assignment. Neither Party will assign any rights or obligations under these Terms without advance written consent of the other Party, which consent will not be unreasonably withheld. Either party may assign these Terms in connection with the sale or transfer of all or substantially all of the assets of the business to which they pertain. Any attempt to assign or delegate in violation of this clause will be void.
16. Arbitration. Any dispute arising out of or relating to these terms or any product order, including the breach, termination or validity thereof, will be finally resolved by a sole arbitrator in accordance with the Province of Ontario's Arbitration Act, 1991, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The place of arbitration will be Toronto, Ontario.
17. Either party may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either party also may, without waiving any remedy under these Terms, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that party, pending the arbitrator's determination of the merits of the controversy.
18. English Language. The parties hereto confirm that it is their wish that these Terms as well as other documents relating hereto, including notices and product orders, have been and shall be drawn up in the English language only. Les parties aux présentes confirment leur volonté que cette convention de même que tous les documents, y compris tous avis et commandes de produits, s'y rattachant, soient rédigés en langue anglaise seulement.