

## Terms & Conditions

**TERMS AND CONDITIONS:** These terms and conditions of sales which will appear on all invoices are the terms and conditions upon which Hardware Solutions Canada Inc. ("HSC") makes all sales. HSC will not accept any other terms and conditions of sale. Unless Buyer and HSC have executed a master contract which specifically supersedes and replaces these terms and conditions, acceptance of all purchase orders is expressly made conditional upon Buyer's assent expressed or implied to the terms and conditions set forth herein without modification or addition.

**ACCEPTANCE:** Buyer's acceptance of these terms and conditions shall be indicated by any of the following, whichever first occurs: (a) Buyer's making of an offer to purchase Product from HSC; (b) Buyer's written acknowledgment hereof; (c) Buyer's acceptance of any shipment of any part of the items specified for delivery (the "Products"); or (d) any other act or expression of acceptance by Buyer. HSC's acceptance is expressly limited to the terms and conditions hereof in their entirety without addition, modification or exception, and any term, condition or proposals hereafter submitted by Buyer (whether oral or in writing) which is inconsistent with or in addition to the terms and conditions set forth hereon is objected to and is hereby rejected by HSC. HSC's silence or failure to respond to any such subsequent or different term, condition or proposal shall not be deemed to be HSC's acceptance or approval thereof.

**PRICE AND PAYMENT:** All prices quoted and all payments shall be in Canadian Dollars unless otherwise specified. Buyer shall bear all applicable federal, provincial, municipal and other government taxes (such as sales, use and similar taxes), as well as import or customs duties, license fees and similar charges, however designated or levied on the sale of the Products (or the delivery thereof) or measured by the purchase price paid for the Products. (HSC's prices set forth on the front side of the invoice do not include such taxes, fees and charges.) Exemption certificates must be presented prior to shipment if they are to be honored. Unless otherwise specified, payment terms are COD. HSC, at its discretion, may require reasonable advance assurances of payment through irrevocable bank letters of credit or otherwise. All unpaid invoices shall bear interest at an amount equal to 1-1/2% of the outstanding balance per month or 18% per annum (or the maximum rate of interest allowed to be contracted for by law, whichever is less), commencing upon the date payment is due. The charging and payment of interest shall not be construed as obligating HSC to grant any extension of time in terms of payment. Buyer's failure to make timely payment may result in such action as commencement of proceedings for collection, revocation of credit, stoppage of shipment, delay or cessation of future deliveries, repossession of unpaid delivered goods and termination of any one or more sales agreements. Notwithstanding any "net" payment provisions specified on the invoice, HSC shall have no continuing obligation to deliver Products on credit, and any credit approval may be withdrawn by HSC at any time and without prior notice. HSC retains (and Buyer grants to HSC by submitting a purchase order) a security interest which may include but shall not be limited to a purchase money security interest in the

Products to secure payment in full and compliance herewith, and Buyer agrees to execute any additional documents necessary to perfect such security interest and to the registration of any financing statements and the giving of notices in respect to the grant of the said security interest. In the event the sales invoice shall be placed by HSC in the hands of an attorney for the purpose of collection, with or without litigation, or for the purpose of enforcing HSC's security interest in the Products, the Buyer agrees to pay any and all costs associated with such placement, including, without limitation, attorney's fees and costs incurred prior to, during, or subsequent to trial on a solicitor and his own client basis, and including, without limitation, collection, bankruptcy, or other creditor's rights proceedings. If a sale is to occur, or the Product is to be shipped, outside of Canada, Buyer acknowledges and agrees that the amount due HSC is contracted in Canadian Dollars and that payment in Canadian Dollars is of the essence. Any payment by Buyer in local currency or the receipt by HSC of local currency as a consequence of enforcement procedures against Buyer will be deemed an authorization for HSC to use that local currency to purchase Canadian Dollars or, if such purchase is prohibited by local law, an authorization to purchase appropriate bonds or other instruments and export them from the Buyer's country in order to convert the currency into Canadian Dollars and apply the proceeds to the payment of any amounts owed to HSC by Buyer. Any deficiency as a result of conversion of payment into Canadian Dollars shall be the responsibility of Buyer and shall be a debt due from Buyer to HSC together with interest thereon as set out herein.

**SPECIAL CONDITIONS:** Any order may be terminated by the Buyer only upon reimbursement to HSC of expenses already incurred and commitments made by HSC with respect to the order. HSC reserves the right to reject orders placed by the Buyer or to refuse to ship orders accepted in circumstances of actual or anticipated shortages of any product. HSC reserves the right to allocate available products amongst its customers in such circumstances and in such manner as HSC may, in its sole discretion, determine appropriate. Prices set out in purchase orders are subject to adjustments to account for any currency fluctuations affecting products. In respect to special orders and promotions, all prices are current at time of print and are subject to change without notice.

**LIMITATION OF LIABILITY:** HSC SHALL NOT BE LIABLE UNDER ANY CIRCUMSTANCES OR FOR ANY REASON FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL OR EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE AGREEMENT TO SELL PRODUCT TO BUYER OR THE PRODUCT, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOST PROFITS, LOSS OF USE, LOST DATA OR FOR ANY DAMAGES OR SUMS PAID BY BUYER TO THIRD PARTIES, EVEN IF HSC HAS BEEN ADVISED OF POSSIBILITY OF SUCH DAMAGES. THE FOREGOING LIMITATION OF LIABILITY SHALL APPLY WHETHER ANY CLAIM IS BASED UPON PRINCIPLES OF CONTRACT, WARRANTY, NEGLIGENCE OR OTHER TORT, BREACH OF ANY STATUTORY DUTY, PRINCIPLES OF INDEMNITY OR CONTRIBUTION, THE FAILURE OF ANY LIMITED OR EXCLUSIVE REMEDY TO ACHIEVE ITS ESSENTIAL PURPOSE, OR OTHERWISE.

**GENERAL:** These terms and conditions shall constitute the final, complete and exclusive agreement of the parties with respect to all sales by HSC to Buyer and shall supersede all prior offers, negotiations, understanding and agreements. Unless Buyer and HSC have executed a master contract which specifically supersedes and replaces the terms and conditions herein, it is expressly agreed that no prior or contemporaneous agreement or understanding, whether written or oral, shall contradict, modify, supplement or explain the terms and conditions contained herein. No additional or different terms or conditions, whether material or immaterial, shall become a part of any sales agreement unless expressly accepted in writing by an authorized officer of HSC in Canada . Any waiver by HSC of one or more of these terms and conditions or any defaults hereunder shall not constitute a waiver of the remaining terms and conditions or of any future defaults hereunder. No failure or delay by either party in exercising or enforcing any right hereunder shall operate as a waiver thereof or preclude any other exercise or enforcement of rights hereunder. Any provision of these terms and conditions that is prohibited or unenforceable under the laws of the Province of Quebec shall be ineffective to the extent of such prohibition or unenforceability, without impairing or invalidating the remaining provisions of these terms and conditions. All sales agreements shall be deemed made in, and shall be governed by, the laws of the Province of Quebec . The venue for any disputes arising out of any sales agreement shall be, at HSC's sole and exclusive option, Lachine, Quebec, or the courts with proper jurisdiction at Buyer's location. For Buyers situate in Alberta , to the extent permitted by law, Buyer hereby waives its rights, benefits or protection given to Buyer in the Judicature Act and the Seizures Act ( Alberta ). For Buyers situate in Saskatchewan , Buyer agrees that the Limitation of Civil Rights Act shall have no application to these terms and conditions of sale. These terms and conditions of sale shall enure to the benefit of and shall be binding upon HSC, the Buyer and their respective successors and assigns. HSC shall not be liable for loss or damages or delay due to causes beyond its control including but not limited to acts of God, acts of the Buyer, fire, strikes, lock outs or other labor disruptions, flood, epidemics, civil or military restrictions, embargoes, car shortages, wrecks, delays in transportation or inability to obtain necessary labour. In the event of any such delay, the delivery shall be extended for a period equal to the time lost by reason of the delay. Any notice required or contemplated hereunder shall be in writing and shall be delivered personally or sent by telex, facsimile or other form of telecommunication or by prepaid registered mail. Any notice by personal delivery or telex or facsimile or other form of telecommunication shall be deemed to have been received when delivered or transmitted receipt confirmed) and any notice sent by registered mail shall be deemed to have been received on the second business day following mailing.

**ALL SALES TRANSACTIONS EXCLUDE THE APPLICATION OF THE 1980 UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS, IF OTHERWISE APPLICABLE.**

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