



STANDARD TERMS AND CONDITIONS

The quotation is an offer, made by CD/M2 LIGHTWORKS CORP, ("SELLER") to sell the goods referenced on the front of this offer to you, the buyer. Seller's sale of products is made solely and exclusively pursuant to and subject to the terms and conditions set forth herein, and no conflicting or additional terms or conditions whatsoever, whether stated in Buyer's purchase order or other communication or otherwise, shall apply unless such conflicting or additional terms or conditions are set forth in a separate writing executed by a duly authorized executive officer of Seller.

Prices stated on Seller's quotation are firm for thirty (30) days from date of quotation for orders accepted within that period. Otherwise, prices are subject to change without notice and those in effect on date of shipment will apply for any portion or order yet unshipped. These prices do not include any bank charges, taxes, collection fees or assessments imposed or levied by any government or subdivision thereof by reason of a sale, all of which shall be for the account of, and are assumed by the Buyer whether or not such shall be paid or be payable by the Seller. Any fees such as import, customs and/or others duties for shipments outside of Canada are the responsibility of the Buyer.

Net Payment is due thirty (30) days from the date of shipment for credit qualifying customers. At the option of Seller, a charge of 1 ½% per month, or the maximum permitted by applicable law, whichever is less, may be added to the unpaid balance on all invoices not paid on or before the due date. In the event that the Buyer breaches this provision, is insolvent, or in Seller's opinion, is suffering any credit impairment, Seller reserves the right to demand immediate payment in full for all good ordered and, until such payment is received, Seller may refuse to manufacture additional goods ordered, withhold further shipments in whole or in part, and recall any goods in transit.

Prices stated are FOB Factory or Lightworks Vancouver (unless otherwise previously agreed in writing) and title to, and risk of loss of, each article product shall pass to Buyer upon delivery to carrier at FOB point. All orders will be minimally insured by carrier. Buyer assumes in transit risk if carrier insurance is waived.

Seller warrants that all new products delivered by Seller to Buyer shall be free from defects in materials and workmanship for a period of twelve (12) months following date of delivery to Buyer or twelve (12) months following date of shipment by Seller, whichever is less. Seller warrants that all repairs and re-calibrations delivered by Seller to Buyer shall be free from defects in materials and workmanship for a period of sixty days (60) days. Seller's sole obligation in the event of a nonconformance of any Seller products to the foregoing limited warranty, the Buyer's sole right and remedy with respect thereto, shall be the repair or replacement, in Seller's sole discretion, of the nonconforming products by Seller at its expense with conforming products at FOB point set forth above against receipt and inspection of such non-conforming products by Seller at its principal address set forth above. The foregoing limited warranty shall not apply unless Buyer notifies Seller in writing of any nonconformance with the applicable time period set forth above, and does not apply to any nonconformance caused by or during shipment. The foregoing limited warranty is made solely to Buyer and not to any purchaser or other transferee from Buyer or any third party; **EXPECT FOR THE FOREGOING LIMITED WARRANTY, SELLER MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE WITH RESPECT TO THE PRODUCTS COVERED HEREBY, AND HEREBY DISCLAIMS ANY AND ALL IMPLIED AND STATUTORY WARRANTIES WITH RESPECT THERETO, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE.** Without limiting the generality of the foregoing, Seller does not warrant that the products will be free from errors in operation, will operate in the manner expected or intended by Buyer, or will suit Buyer's requirements.



Seller's total aggregate liability to Buyer for any and all claims and causes of action whatsoever is limited to the cost of the products actually paid by Buyer to Seller for the products covered hereby and does not include any related or unrelated costs, fees or charges, including, without limitation, shipping charges, taxes, duties and assessments. In no event shall Seller be liable to Buyer or to anyone claiming by or through Buyer for any consequential, incidental, special, indirect, exemplary or punitive damages (including, without limitation, damages in respect of lost revenue or profits), howsoever arising, whether or not foreseeable and even if Seller is made aware in advance of the possibility of such damages.

Buyer shall not have the right to cancel its purchase order because of any delay or default in delivery. Orders may not be canceled nor work or shipment delayed by Buyer except with the consent of and upon the terms and conditions approved by Seller in writing. Such terms will include cancellation charge, payment in full for all work in progress, work finished, products identified to the order, and all other damages or losses incurred by Seller as a result of such cancellation or delay.

The Seller will not accept return of products unless authorized in a written "Authorization of Return Material" prior to return shipment, which shipment must be made in accordance with Seller's instructions.

The products offered are designed to meet stated safety standards and regulations. Because local safety standards and regulations vary significantly, The Seller cannot guarantee that the goods sold to you under this offer meet all applicable requirements in each locality. The Buyer assumes responsibility for compliance with such safety standards and regulations in those localities in which the goods will be shipped, sold and used. Before purchase and use of any goods, please review the product application, and national and local codes and regulations, and be sure that the goods, installations, and use will comply with them.

The Buyer acknowledges that certain goods sold to you under this offer may be subject to export controls under the laws, regulations and/or directives of Canada and various other countries. You agree to comply with such laws and regulations and agree not to export, re-export or transfer these goods without first obtaining all required authorizations or licenses.

The Seller hereby disclaims any and all warranties against patent, copyright, and trademark infringement. The Seller shall, however, if given prompt notice by you of any claim of patent, copyright, or trademark infringement with respect to any goods sold under any agreement governed by the terms and conditions of this offer, use its reasonable efforts to secure for you such indemnity rights as the manufacturer may customarily give with respect to such goods.

The Buyer shall indemnify, defend and hold harmless The Seller and each of its and their officers, directors, agents, employees, affiliates, representatives, successors, and assigns from and against all losses, liabilities, costs and expenses (including, without limitation, attorneys' fees) arising out of or in connection with claims by third parties for any loss, damage or injury (including death) caused or alleged to be caused by breach by The Buyer or its employees, partners to whom The Buyer sold product, contractors, representatives, agents or affiliates, of any obligation herein, including, without limitation, integration of the product offered into other products

Any agreement that is governed by the terms and conditions of this offer will be governed by the law of the Province where the Seller's office issuing the quotation is located and the Courts of such Province shall have exclusive jurisdiction, except for such jurisdiction's choice of law rules. You consent to extra-territorial service of process on you.

This contract contains the final and entire agreement of Buyer and Seller with respect to the sale of the products covered hereby and the other subject matter hereof, and supersedes any and all prior agreements, arrangements, understandings, undertakings, promises, representations, statements and communications, oral, written, graphic, pictorial or electronic, between or by any of them, with respect to such sale and/or other subject matter.