

1. General. In these terms and conditions, Ensil Inc. is referred to as "Seller" and the party to whom Seller's quotation or repair estimate is addressed is referred to as "Buyer". All quotations, repair estimates, authorizations to proceed, order acknowledgments, invoices, sales of Seller's services, repairs, manufacturing, or other work, sales of merchandise and goods are subject to these terms and conditions. Any purchase order or other communication from Buyer that contains terms and conditions in addition to or inconsistent with Seller's terms and conditions is not binding upon Seller. Failure of Seller to object to provisions contained in any purchase order or other communication from Buyer will not be construed as a waiver of Seller's terms and conditions or as an acceptance of any of Buyer's provisions. Seller's quotation for services or goods, or Seller's repair estimate, Buyer's authorization to proceed, Seller's order acknowledgment, Seller's invoice, and these terms and conditions (the "Sale Documents") constitute the entire agreement between Buyer and Seller with respect to the sale of Seller's services, **goods**, repairs, manufacturing or other work (the "Transaction"). The Sale Documents supersede all other oral and written communications, representations, and undertakings. The Sale Documents and Transaction are governed by the laws of the Province of Ontario, Canada without reference to laws of any other jurisdiction, including choice of law, and any action or proceeding concerning them shall be tried exclusively in the Courts of the Province of Ontario, to which Buyer attorns.

2. Quotations/Repair Estimates. Written quotations and repair estimates expire 30 days from the date issued unless otherwise explicitly stated by Seller in writing.

3. Acceptance of Orders. Any accompanying purchase order or other communication from Buyer that contains terms and conditions in addition to or inconsistent with Seller's terms and conditions will not be binding upon Seller unless the specific term or condition is recited in a subsequent order acknowledgment issued by Seller. Any signature of Buyer's purchase order by Seller shall not be construed as an acceptance of any of Buyer's terms or conditions under any circumstances and shall be construed only as evidence that Seller received the document. Inclusion of Buyer's purchase order number or work order in Seller's quotation, repair estimate, order acknowledgment, shipping document, invoice, or other communication is for reference purposes only and shall not constitute or be construed as acceptance of any of Buyer's terms and conditions.

4. Specifications. Unless otherwise expressly agreed in writing signed by an authorized representative of Seller, Buyer acknowledges that Seller is not obligated to perform repairs or services to Buyer's or the original equipment manufacturer's specifications for the device or equipment being serviced or repaired. Seller will perform repairs and services in accordance with IPC standards for electronic printed circuit boards and reasonable industry practices for commercial electronic repairs and service, which include the use of non-OEM repair parts. If Buyer provides any specifications or designs to Seller to construct prototypes or manufacture devices, Buyer will defend and indemnify Seller **against** all claims, costs and expenses (including lawyers' fees and disbursements) relating to any patent, trademark or copyright infringement claims due to Seller's compliance with Buyer's specifications and designs. Seller will not be responsible for the accuracy or suitability of Buyer's specifications and designs for Buyer's intended use or for the performance of devices or equipment manufactured by Seller in conformity with Buyer's designs and specifications.

5. Delay. All quoted or estimated turnaround times, delivery dates and shipping dates are estimates only, and time is not of the essence. Any rush or expedited dates to which Seller agrees will be in writing and subject to additional surcharges.

6. Payment & Credit. Unless satisfactory credit is established with Seller, payment in full is required when Buyer issues authorization for Seller to proceed. Payment in part or in full by Buyer constitutes acceptance by the Buyer of the Seller's terms and conditions set out herein. In any action, proceeding, claim brought by Seller against Buyer for non-payment, Seller is entitled to recover its lawyers' fees, costs and expenses on a substantial indemnity basis.

7. Shipping and Risk of Loss. Seller will notify Buyer in writing when Buyer's order is ready, and Buyer shall have 30 days from the date of notification ("Initial 30 Day Period") to deliver to the Seller all export permits and government authorizations required by Canada Border Services Agency and/or any other Department of the Government of Canada or Province of Ontario for export of the goods, equipment or devices (the "Product") outside of Canada or release of restricted or controlled Product. If all export permits and/or government authorizations permitting the release of Product required by law are not provided to the Seller within the Initial 30 Day Period, the Product is forfeited to the Seller without recourse of any kind or entitlement to refund of any payment for the Product previously made by the Buyer. If the Seller receives all of the aforesaid export permits and government authorizations that are required by law to be delivered by the Buyer within the Initial 30 Day Period, the Seller will advise the Buyer that the Product is available for pick up Ex Works (EXW) at Seller's facility in Markham, Ontario, Canada for a further 30 day period ("Second 30 Day Period") with no freight allowed. If the Product is not picked up by the Buyer within the Second 30 Day Period, the Product is forfeited to the Seller without recourse of any kind or entitlement to refund of any payment for the Product previously made by the Buyer. Seller will have no liability whatsoever to the Buyer for the Product, and Seller will be entitled to dispose of the Product as the Seller sees fit and retain any proceeds without accounting to or reimbursing the Buyer. The Buyer is responsible for all packaging and shipping costs, customs duties, insurance, cost of exporting outside Canada, obtaining permits and authorizations from government regulators, and arrangements for the transport from Seller's facility to the destination Buyer chooses. Under no circumstance will the Seller be liable or responsible for

export of Product outside Canada, late, delayed, lost or damaged shipments. The Buyer acknowledges that any information about the source of Product, placing of orders for Product, Seller's suppliers, business records, financial records, correspondence, business opportunities and customer lists is confidential information of the Seller ("Confidential Information"), which under no circumstances will the Seller be required to disclose to the Buyer. Buyer acknowledges that it would cause irreparable harm to Seller's business if Seller were required to disclose the Confidential Information.

8. Limited Warranties. Seller warrants its services, repairs or sales of goods will be free from defects in parts, labour, and workmanship for a period of 120 days from the earlier of the date of pickup and shipping from Seller's facility or the date the Seller's invoice is sent to the Buyer. Unless otherwise agreed to in writing signed by an authorized representative of Seller, and for additional costs, Seller's 120-day warranty period will not be extended. Seller's limited warranty is made exclusively to Buyer and is non-transferable. Seller warrants that Seller's prototypes and Seller's manufactured devices will be free from defects in labour and workmanship for a period of 120 days from the earlier of the date of pickup and shipping from Seller's facility or the date the Seller's invoice is sent to Buyer. Seller does not warrant the performance of the prototype or manufactured device for Buyer's intended use or applications. Seller's warranty on prototypes and manufactured devices does not extend to any parts, components, or products manufactured by others and incorporated by Seller into the prototype or manufactured device. Seller passes on to Buyer any available warranty provided by the manufacturer or supplier of any such parts, components, or products to the extent permitted by the terms thereof. **SELLER'S LIMITED WARRANTY IS MADE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE & MERCHANTABILITY. THERE ARE NO OTHER WARRANTIES THAT EXTEND BEYOND THIS EXPRESS LIMITED WARRANTY.**

This limited warranty does not cover damage from shipping, defective packaging, transport, Electro Static Discharge, abuse, misuse, installation, power surges, improper maintenance, accident, negligence, wear and tear, alterations, tampering, or exposures to moisture, weather, radiation, or exposure to any other harmful conditions. Seller's limited warranty covers only the repair and service work performed by Seller as authorized and paid for by Buyer, and does not include software or firmware embedded in internal circuit boards, chips, or other electronic components of the device. Any warranty claims by Buyer must be submitted to Seller as soon as possible after the defect is discovered, and in no event later than five business days following the expiration of the warranty period, by returning the items, at Buyer's sole cost and expense, to the Seller with a description of the claimed defect. The Seller shall determine if the warranty period applies and if it does, the Seller will inspect the item to see if the Seller's parts, labour or workmanship were defective; in which event, Seller will repair or correct the warranted work and return the equipment or device at Seller's expense. If it is determined by Seller that Seller's parts, labour or workmanship were not defective, or the device or equipment has other defects or damage unrelated to Seller's warranted work, Seller will contact Buyer to advise of potential options. Seller's limited warranty is Buyer's sole remedy for any claimed defects or deficiencies in Seller's services, repairs, prototypes, manufacturing, or other work. All sales of goods and merchandise are final and no moneys paid by Buyer to Seller for purchase of goods or merchandise will be refunded by Seller for any reason.

9. Limitation of Liability. Buyer assumes all risks and liabilities resulting from the use of any repaired devices or equipment, or any prototypes or manufactured devices, whether used independently or in combination with other equipment, devices, persons or substances. Seller will not be liable for damages to any property or persons arising out of or relating to use, abuse, alterations, repairs, modifications, tampering, accidents, or any attempts to use equipment, devices, prototypes, or manufactured items that are in a damaged or defective state. **THE BUYER SHALL INDEMNIFY AND SAVE HARMLESS THE SELLER FROM ANY THIRD PARTY CLAIMS FOR ANY SPECIAL, CONTINGENT, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER ARISING OUT OF BREACH OF WARRANTY, BREACH OF CONTRACT, TORT, STRICT LIABILITY, NEGLIGENCE OR OTHERWISE.** Seller's liability with respect to a claim for damages arising out of or related to the manufacture, sale, purchase, repair, servicing, use or performance of any device or piece of equipment repaired, serviced or manufactured by Seller will in no event exceed the price Buyer paid to Seller for the servicing, repairing, manufacturing, or other work performed by Seller on such device or equipment.

10. Force Majeure. Seller shall not be liable for failure to perform if performance is made impracticable due to occurrences beyond its control, including, but not limited to, acts of God, terrorism, fires, floods, wars, sabotage, accidents, labour disputes, shortages, governmental laws, ordinances, rules and regulations, priorities, requisitions, allocations, price adjustments, inability to obtain raw material or parts, and any other similar occurrence. If Seller is unable to complete the Transaction for any of above reasons, Seller will advise Buyer and discuss alternative options, if any.

11. Indemnification. If Seller is made a party to any action, arbitration, or proceeding involving Buyer, any persons deriving title from Buyer, or any other third party on the basis of breach of warranty, breach of contract, negligence, strict liability, or other tort arising out of or relating to Seller's service, repair, or manufacturing work, Buyer will, *to the fullest extent permitted by law*, defend, indemnify and hold Seller harmless for all damages, costs and expenses in connection with such action, arbitration, or proceeding, including lawyers' fees on a substantial indemnity basis.

12. Taxes and Other Charges. Buyer will pay any manufacturers' tax, retailer's occupation tax, use tax, sales tax, duty, custom inspection or testing fee, or any other tax, fee or charge of any nature whatsoever, imposed by any government authority, on or measured by any transaction between Seller and Buyer.