

Terms of Sale

In respect of each order acknowledgement, quote or invoice which incorporates this document by reference, expressly or impliedly, or to which this document is appended, the following definitions shall apply: "Offer" means said each order acknowledgement, quote or invoice, as the case may be; "Contract" means the contract created should the Offer be accepted; "Buyer" means the party to which the Offer was issued; "Supplier" means the entity which issued the Offer; "Terms and Conditions" means the provisions set out in this document; and "Product" means the goods/services that are the subject of the Offer.

The Offer is extended on the understanding that, unless otherwise expressly stated thereon, and unless earlier revoked, it is capable of acceptance for thirty (30) days from the earlier of: any date appearing on the Offer that purports to be the date of issue; and the date upon which the Offer was put in transit to the Buyer. The Offer is further extended on the understanding that it can be and shall be deemed to have been accepted on the earliest of: actual acceptance of the Offer; when the Offer precedes payment of any amount specified in the Offer, payment of any such amount; issuance of a purchase order referencing the Offer in any way; issuance of a written document that purports to accept the Offer; when the Offer precedes delivery of any or all of the Product specified in the Offer, upon completed delivery of such Product; or, if the Offer is delivered after payment and after delivery of the Product, ten (10) days following delivery of the Offer unless all Product has been returned to Buyer by that date. For greater certainty, the parties acknowledge that the issuance of a purchase order or any written document purporting to accept the Offer shall constitute acceptance of the Offer, notwithstanding that the order or document may contain terms contradictory to the Terms and Conditions or to the Offer; in this event, the contradictory terms are understood to have no force and effect.

The Contract is governed by: the Terms and Conditions; the provisions set out in any purchase order or document that purports to accept the Offer that do not contradict those set out herein; if the Offer is a quote, the provisions in any RFQ which precipitated the quote and do not contradict those in this document or in the quote; the provisions set forth in the Offer; and any other Terms of Sale referenced in the Offer. In the event of a conflict between or among these terms, the terms with the highest relative precedence shall prevail. The order of precedence shall be the order as listed above, with the last-listed document having the highest precedence and the first-listed document having the lowest precedence. Notwithstanding any of the foregoing, terms which must be included in the Contract for validity or legality thereof shall be deemed to take precedence over conflicting terms, and terms which, if included, would render the Contract invalid or otherwise unlawful, shall be deemed to be subservient to

conflicting terms. No provision of the Contract which may be deemed unenforceable will in any way invalidate any other portion or provision of the Contract except as required to render the Contract as a whole valid and enforceable.

SUPPLIER AGREES THAT THE BUYER MAY RETURN TO SUPPLIER, RETURN SHIPPING COSTS TO BE BORNE BY BUYER, ANY PRODUCT WITHIN THE RETURN PERIOD APPLICABLE TO THE PRODUCT AS SPECIFIED BELOW, IF SUCH PRODUCT HAS NO COMMERCIALY VALUABLE FUNCTION OR FAILS TO MEET ANY SPECIFICATION EXPLICITLY SET FORTH IN THE CONTRACT, UNLESS THE ABSENCE OF FUNCTION OR FAILURE IS DUE TO MISUSE, ABUSE, NEGLIGENCE, MISHANDLING, IMPROPER INSTALLATION, INADEQUATE MAINTENANCE, INSUFFICIENT OPERATOR TRAINING, UNAUTHORIZED REPAIR, UNAUTHORIZED MODIFICATION, ALTERATION, ELECTRICAL SURGES, ENVIRONMENTAL DAMAGE OR EXHAUSTION OF EXPENDABLE, DISPOSABLE OR CONSUMABLE PARTS. Supplier, in its sole discretion, will, in respect of any Product properly returned as indicated above: (1) refund the purchase price of the Product or (2) repair or replace any part or component of the Product, or replace the entire Product, but for expendable, disposable and consumable parts. Repaired and replacement products may contain used, reworked or refurbished parts and components. Buyer acknowledges that this is a commercial and not a consumer transaction.

BUYER AND SELLER AGREE THAT SELLER MAKES NO WARRANTY AND THE RIGHT TO RETURN SPECIFIED ABOVE IS EXTENDED IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. Without limitation to the foregoing, Supplier shall not be liable for any loss or damage for delay in delivery, inability to install, inability of the Buyer to use or sell the Product or failure of the Product to perform, including but not limited to direct damages, indirect damages, special damages, punitive damages, consequential damages, damages for loss of business and damages for loss of profits, even if advised of the possibility of such damages and regardless of the form of action whether in contract, tort, negligence, strict liability, operation of law or otherwise.

All software programs and other proprietary information supplied by Supplier to Buyer, whether embodied in the Product or otherwise, are not included in the sale of the Product to Buyer. Title to such software programs and other proprietary information remains with Supplier. Buyer will not translate, modify, reverse engineer, disassemble, decompile, or create derivative works based on the Product or permit any third party to do so. Seller hereby licenses Buyer to use the Product, the parts and software of the Product and any proprietary information embodied in the Product only to the extent necessary to enable the

Buyer to use the Product in the manner in which goods/services of similar type are commonly used in industry, and Buyer hereby agrees to use the Product, the parts and software of the Product and proprietary information embodied in the Product only in accordance with said license.

Buyer shall comply with all laws, rules, regulations, licensing requirements and other obligations applicable to Buyer, including without limitation any law, regulation or treaty relating the export or re-export of any Product or associated technical data to which the U.S. adheres or with which the U.S. complies.

Buyer may not assign any rights or obligations under the Contract. The Contract shall be binding on the parties and their respective successors and permitted assigns.

The Contract constitutes the entire agreement between the parties with respect to the Product. To the extent allowed by law, the Contract shall be interpreted in accordance with and governed by the laws of the Province of Ontario, Canada, excluding conflicts of laws provisions, and the parties hereby submit to the exclusive jurisdiction of the courts of the Province of Ontario, Canada. If the Offer was issued by a Seller located in a jurisdiction outside Ontario and the substantive law of the jurisdiction does not allow for Ontario law to govern, then the Contract shall be construed in accordance with the substantive law of the country in which the Offer was issued and adjudicated in the courts of the same jurisdiction. The parties agree that any claims brought by one against the other shall be brought in small claims court, where possible. TO THE EXTENT ALLOWED BY LAW, BUYER WAIVES ANY RIGHT TO PURSUE DISPUTES ON A CLASSWIDE BASIS; THAT IS, TO EITHER JOIN A CLAIM WITH THE CLAIM OF ANY OTHER PERSON OR ENTITY OR ASSERT A CLAIM IN A REPRESENTATIVE CAPACITY ON BEHALF OF ANYONE ELSE IN ANY LAWSUIT, ARBITRATION, OR OTHER PROCEEDING. TO THE EXTENT ALLOWED BY LAW, BUYER WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY LAWSUIT, ARBITRATION, OR OTHER PROCEEDING.

The Contract may not be changed, modified or amended except in a document signed by authorized representatives of the parties that explicitly and expressly indicate an intention to amend the Contract

No failure or delay in exercising any right under the Contract will operate as a waiver thereof.

The Buyer acknowledges that breath alcohol testers and alcohol ignition interlock devices may require periodic maintenance and calibration and agrees to follow all prescribed procedures and guidelines regarding use, operation, maintenance and calibration. The Buyer further agrees that, in the event that the Product appears to malfunction or be operating in a less than optimal condition, it shall cease all use of the Product until inspected and repaired by the Supplier or an authorized representative of the Supplier. Buyer shall indemnify and save Supplier

harmless from and against all liability (including without limitation claims, losses, actions, damages, expenses, lawyer's fees and court costs) arising, directly or indirectly, as a result of Buyer's failure to comply with any of its obligations under this Agreement. Buyer further agrees to indemnify and save Supplier harmless from and against all liability to third parties (including without limitation claims, losses, actions, damages, expenses, lawyer's fees and court costs) relating to the use by the Buyer of the Product or the inability of the Buyer to use the Product.

Partial Product shipments shall be billed as shipped and installation/implementation shall be billed when completed. A service charge of the lesser of 1.5% per month and the maximum rate allowed by law shall be made on any portion of Buyer's outstanding balance which is not paid within thirty (30) days after invoice date. Payment of such service charge shall not excuse or cure Buyer's breach for late payment. In the event Buyer fails to make any payment to Supplier when due, then Supplier shall have no obligation to continue performance under any agreement with Buyer. Supplier may accept any payment in any amount without prejudice to Suppliers right to recover the balance of the amount due or to pursue any other right or remedy. From the F.O.B. point, Supplier shall have a purchase money security interest in the Product (and all proceeds thereof) until payment in full by Buyer. The Contract constitutes a security agreement. Upon Buyer's failure to pay when due any amount owing hereunder, Supplier shall be entitled to pursue any and all rights and remedies available hereunder and at law or equity. Further, Buyer shall pay all costs and expenses incurred by Supplier in connection with enforcing the terms of the Contract against Buyer (including, without limitation, reasonable attorneys' fees, court costs and other legal expenses). Only discrepancies and shortages reported within ten (10) days after receipt of Product shall be remedied by Supplier.

Unless otherwise defined in the Contract: the Return Period applicable to a product is thirty (30) days from the date of receipt of the Product by Buyer; the target date for delivery in relation to stock items shall be deemed to be ninety (90) days from the creation of the Contract; the target date for delivery in relation to items having build deviations and other special or non-stock items shall be deemed to be within a reasonable period of time following the creation of the Contract, having regard to the size and complexity of the order; delivery shall be F.O.B. shipping point, freight allowed (ground transport of Supplier's choice) to a single shipping location; risk of loss and title shall pass to Buyer at F.O.B. shipping point; all prices specified are indicated in Canadian dollars; sales, use, manufacturers, property and/or similar taxes/fees imposed on the Product are in addition to the specified prices and shall be paid by Buyer; the purchase price for the Product and all other amounts due under the Contract are due net thirty (30) days from the date of invoice; and transportation terms shall be construed in accordance with "INCOTERMS" 2010.

