

TERMS AND CONDITIONS OF PURCHASE

VUTEQ CANADA INC.

Defined Terms	Whenever capitalized terms are used herein, unless expressly indicated otherwise, it is intended that those terms shall be as defined in the Request for Quote or Part Approval Supplier Manual, both documents of which Supplier acknowledges having reviewed.
No Exclusivity	Nothing in any of the Terms and Conditions, the Request for Quote or the Part Approval Supplier Manual shall be interpreted as providing in any manner a grant of exclusivity to Supplier for the supply of products to Vuteq Canada Inc. (hereinafter "Vuteq") and it is expressly acknowledged by Supplier that Vuteq Canada Inc. may purchase products similar to or the same as Supplier's Products from other suppliers in Vuteq's sole and unfettered discretion. Likewise, Supplier may supply to other purchasers products similar to or the same as Supplier's Products purchased by Vuteq, SAVE AND EXCEPT that if Supplier utilizes Vuteq's tooling to manufacture Products, Supplier shall be prohibited from offering those Products to any other purchaser without Vuteq's prior written consent, which consent may be withheld for any or no reason.
No Minimum Purchase Commitment	Supplier acknowledges and agrees that Vuteq makes no representations, warranties or commitments of any nature whatsoever as to the volume of the Products to be purchased. Unless expressly provided otherwise, the prices stated herein shall apply to all volumes of Products purchased by Vuteq from Supplier.
Forecast Not Binding	Supplier acknowledges that Vuteq may, from time to time, prepare Forecasts and Supplier further acknowledges that any Forecasts prepared by Vuteq are intended to be for planning purposes only and SHALL NOT BE BINDING or deemed to be a commitment by Vuteq to purchase any volume of Products from Supplier unless and until such time as Vuteq issues a firm Release against the Purchase Order for delivery of Products.
Vuteq Not Responsible for Indirect Costs	Vuteq may increase, decrease or reschedule Products previously released for production. Should Vuteq decrease or reschedule Products previously released for production, Supplier agrees that Vuteq's sole liability shall be to pay for material cancellation or rescheduling charges that Supplier cannot avoid, despite its use of commercially reasonable efforts. In no event shall Vuteq be liable for Supplier's consequential, indirect or special damages, including damages for loss of profit or loss of opportunity and Supplier expressly releases Vuteq from any and all claims for such damages.
Vuteq May Cancel at any Time Without Liability	Vuteq may cancel Purchase Orders, in whole or in part, at any time by giving written notice of such cancellation to Supplier, without cost or liability. For greater certainty, Vuteq shall not be Liable for any consequential, indirect, special or other damages incurred by Supplier, including damages for loss of profit or loss of opportunity and Supplier expressly releases Vuteq from any and all claims for such damages.
No Changes Without Consent	In no event shall Supplier implement any modification or addition to the Specifications, including without limitation, changes in raw materials, equipment or methods of production or testing of the Products, without the prior written consent of Vuteq, which consent may be withheld for any or no reason.
Excess Inventory	Should Vuteq's inventories of the Products wheresoever located, in Vuteq's sole and unfettered judgment, increase beyond acceptable levels, Vuteq shall have the right to reduce or suspend scheduled deliveries until such time as inventories return to acceptable levels as determined in Vuteq's sole and unfettered judgment.
Return of Tooling and Equipment to Vuteq	Supplier acknowledges that it may be required to retain Vuteq's tooling in Supplier's possession for the manufacture of Products and to provide service parts for such tooling. In such circumstances, Vuteq will notify Supplier in writing of the length of service requirements prior to issuing the Purchase Order. Upon termination of the Agreement, Supplier shall immediately return to Vuteq all material, capital equipment, tooling and any other of property in Supplier's possession which has been paid for or is owned by Vuteq, and if applicable, Supplier shall direct its Subcontractors to immediately return all such property owned or paid for by Vuteq. Supplier shall bear the risk of loss or damage to Vuteq's property at all times that Vuteq's property is in the possession or control of Supplier.
Payment Terms	Unless agreed to otherwise and notwithstanding any terms included on Supplier's invoices, payment by Vuteq to Supplier of all invoiced amounts shall be due and payable on the 25 th day of the month next following delivery of Products.

General Terms

Any Products supplied by Supplier pursuant to this Purchase Order that do not, in Vuteq's sole opinion, meet Vuteq's Specifications, will be returned to Supplier at Supplier's expense. Vuteq reserves the right to enter onto Supplier's premises at all reasonable times to verify the quality of the Products manufactured and to ensure compliance with this Purchase Order and/or Part Approval Supplier Manual. Delivery of an invoice by Supplier, evidence of shipment of Products or documentation concerning Supplier payable will constitute acceptance of these Terms and Conditions by Supplier as well acceptance of Vuteq's Supplier Guidelines and Expectations. Further details of Vuteq's requirements can be accessed at www.vuteq.ca and Supplier assumes responsibility to review and understand those requirements at all times during the currency of the Purchase Order.

Limitation of Liability

Notwithstanding any other provisions, in no event shall Vuteq be liable for lost or anticipated profit, or unabsorbed indirect costs or overhead incurred by Supplier and Supplier expressly releases Vuteq from any and all claims for such losses or damages.