

MATE GAUGE TERMS AND CONDITIONS

The following terms and conditions shall govern the sale by Co-efficient Precision Engineering Inc. (operating as "Mate Gauge", and hereinafter "Mate Gauge") of orders for equipment and systems manufactured by Mate Gauge and/or related products and/or services (hereinafter "Product") sold to Purchaser's located Worldwide, unless Purchaser has signed a separate formal agreement with Mate Gauge.

1. Duration of Quotation

The quotation is valid for acceptance within thirty (30) days of the hereof, unless specified otherwise in the body of the quotation.

2. Acceptance of Orders

The terms and conditions shown herein shall become part of any purchase order upon acceptance, and will supersede any different or additional terms on any purchase order. All purchase orders must be accepted by Mate Gauge and are subject to credit approval.

3. Quantities

Prices are for stated quantities only, and may vary with a change in quantities.

4. Terms of Payment

Subject to a satisfactory credit standing, our terms are "NET 30 DAYS", unless specified otherwise in the body of the quotation. A late payment charge of 2.00% monthly is applied when payment has not been received by Mate Gauge within thirty (30) days of the invoice due date.

5. Shipping Point

Prices quoted are F.O.B our office, Ottawa, Ontario, unless stated otherwise in the quotation.

6. Passing of Title

Title to any equipment provided with the Product shall pass to the Reseller when goods are given to a common carrier of its / his / her choice for delivery to the Reseller's designated location. Claims for shortages must be made within 10 days after receipt of the material, failing which the Reseller shall be deemed to have accepted the goods in quantity received. Title to any software provided with the Product shall remain with the applicable licensor(s). All software is subject to the applicable license agreement which is included with the Product. Reseller and/or the end users shall be bound by the license agreement once the software is opened, the package is opened or its seal is broken. Warranty for any software shall be in accordance with Mate Gauge end user license agreement.

7. Taxes

Prices quoted are exclusive of all Federal, Provincial or Municipal sales or similar taxes now in force, or to be enacted. Reseller must either provide a valid exemption number with the order, or pay such taxes in addition to the quoted prices.

8. Packing

Standard packaging for domestic shipping is included, unless stated otherwise. Export packing is extra, charged at cost.

9. Cancellation By Reseller

In the event of cancellation of an order, Reseller is liable for payment of all expenses of whatever nature incurred in carrying out the order to date, plus reasonable profit on work completed. Where the order covers stock material, a reasonable re-stocking charge shall apply. Charges to cover such costs shall be agreed between Mate Gauge and Reseller before an order is cancelled.

10. Delay or Suspension of Work

It is understood that the Reseller shall arrange to take delivery of the Product within fourteen days (14) after notification that the Product is ready for shipment. If Reseller does not take delivery within a specified period, we are prepared to provide temporary storage, if space permits, charging Reseller for such storage at current rates. Product will be invoiced when ready for shipment, and invoices are payable in accordance with our normal terms. If work on a purchase order is delayed or suspended at Reseller's request, we reserve the right to invoice for all work completed to date, and / or adjust the purchase price to cover additional expenses incurred by such delay or suspension.

11. Confidential Information.

All non-public information concerning the Product, inventions (whether patentable or not), algorithms, designs, know-how, ideas, product development plans, and all Mate Gauge customer, business, technical, training and financial information are the confidential property of Mate Gauge and its suppliers ("Confidential Information"). Except as expressly and unambiguously allowed herein, Reseller will hold in confidence, not reverse engineer and not use or disclose any Confidential Information to any third parties. Because of the unique and proprietary nature of the Confidential Information, it is understood and agreed that Mate Gauge's remedies at law for a breach by Reseller of its obligations under this Section will be inadequate and that Mate Gauge will be entitled to equitable relief, including, without limitation, provisional and permanent injunctive relief, in addition to any other remedies. Reseller shall not make any public announcements, advertisements, or press releases regarding the Product without the prior written approval of Mate Gauge which will not be unreasonably withheld.

12. Restrictions.

Reseller shall not, directly or through others: (1) disassemble, decompile or otherwise reverse engineer the Product, or otherwise attempt to learn the source code, structure, algorithms or ideas underlying the Product, (2) rent, lease or otherwise provide temporary access to a Product or use the Product in a service bureau or for the benefit of any third party, (3) copy or modify the Product, (4) remove any names, designations or notices from the Product, (5) publish or provide to any third-party results of any benchmark or comparison tests of the Product. Reseller will not use, register or take other action with respect to any name, logo, trademark, service mark or other identifier used anywhere in the world by Mate Gauge, or confusingly similar to one used by Mate Gauge. Reseller shall promptly report to Mate Gauge any suspected infringing or unauthorized use or reproduction of the Product or trademarks.

Warranty

13. New Equipment

The Product is warranted to be free from defect in materials and workmanship for a period of 1-year from date of shipment, unless otherwise stated in the body of the quotation. We agree to either repair or replace the defective material, at our option, as quickly as possible. This warranty does not cover normal wear items, damage due to accidents or misuse, or failure to follow maintenance or operation instructions. This warranty is F.O.B Ottawa, Ontario and all shipments must be made prepaid. Equipment and Systems sold by Mate Gauge are protected by warranties established by the respective manufacturer. In most cases it will be necessary for the manufacturer to evaluate the failed equipment in order to determine if warranty applies.

Repairs

All repairs (exclusive of those items covered by the warranty above) done by Mate Gauge are warranted to be free from defects in material and workmanship for a period of ninety (90) days from the repair date. All of the other terms mentioned above still apply. Except as specifically set forth above, Mate Gauge makes no other representations, warranties or conditions, either expressed or implied, with regard to any goods or services provided by Mate Gauge to the Reseller, including but not limited to, all other implied warranties or conditions of completeness or accuracy or of merchantable quality and fitness for a particular purposes and those arising by statute or otherwise in law or from a course of dealing or usage of trade.

14. Limitation of Liability

Neither party shall be liable to the other for special or consequential damages, loss of profits, or loss of business or reputation, arising out of or related to the services and/or the deliverables. Mate Gauge's aggregate, cumulative liability arising out of

the Product and/or related services shall not exceed the amount of the fees actually paid by Reseller for the Product and/or related services.