

TRANSLUCENT TECHNOLOGIES INC.

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TERMS AND CONDITIONS OF PURCHASE

1. All purchase orders accepted by Translucent Technologies Inc. (TTI) will be governed strictly by the Terms and Conditions of Purchase (Terms and Conditions) stated herein. Buyer's submission of a purchase order will constitute an offer which includes these Terms and Conditions and, on acceptance of such purchase order by TTI, shall constitute an agreement between Buyer and TTI which incorporates these Terms and Conditions and pursuant to which Buyer and TTI agree to comply with these Terms and Conditions.
2. Prices are quoted in writing by TTI and are firm for a period of 60 days from the date of the quotation. Unless specifically noted otherwise, prices quoted do not include packaging, special handling, shipping, freight or insurance. TTI will include only Canadian sales or value-added taxes, if applicable, in its invoices. Purchasers outside of Canada are solely responsible for separate payment of all local taxes, duties, excises, brokerage fees and any other costs of importation into their country.
3. Payment conditions will be arranged with each Buyer as appropriate. Unless otherwise expressly agreed and acknowledged in writing by each of Buyer and TTI, payment is due and payable 30 days from date of invoice. Interest will be charged at a nominal rate of 18% per annum (1.5% per month) on overdue accounts.
4. All shipments of products will be insured by TTI at Buyer's cost against damage in transit, unless otherwise requested. The Buyer must notify TTI within 7 days about receipt of any damaged products, failing which such insurance coverage may be denied.
5. Orders may be cancelled without penalty if notice of cancellation is received by TTI in writing at least 60 days prior to shipping. If notice of cancellation is received by TTI 30 to 60 days prior to shipping, a cancellation fee equal to 50% of the price will be due and payable upon cancellation. No cancellation will be accepted within 30 days of shipping.
6. For a period of one year after the date of shipping a product, TTI provides a limited warranty on the workmanship of that product. TTI will repair or replace, at its sole option, any such product in the event of any defect in workmanship which occurred prior to the date of shipping. This warranty is on a depot repair basis; Buyer will bear all shipping charges, as well as any taxes, duties, excises and/or brokerage fees incurred in relation to the return of the product to TTI. This is the only warranty offered by TTI; TTI disclaims all other warranties, express, implied or otherwise, including, without limitation, any warranty of merchantability or fitness for any particular purpose.
7. Save and except in respect and to the extent of the limited warranty hereinbefore provided in paragraph 6, TTI will not be liable to Buyer or third parties in any manner or to any extent whatsoever in connection with the ownership, use or any other activity where TTI products are used. Buyer hereby releases, remises and forever discharges TTI and its officers, directors, employees and agents from any and all liabilities which may arise at any time or from time to time from or in connection with the ownership, use or any other activity or circumstance relating to TTI's products, save and except in respect and to the extent of the limited warranty hereinbefore provided in paragraph 6.
8. TTI's liability under or for breach of this agreement will be limited to the amount of the purchase price or license fee, as the case may be. In no event will TTI be liable for any special, indirect or consequential damages howsoever caused, whether for breach of warranty, negligence or otherwise.
9. Buyer acknowledges and accepts that products sold by TTI are not designed, intended or authorised for use in life support, life sustaining, nuclear or other applications in which the failure of such products could reasonably be expected to result in personal injury, loss of life or catastrophic property damage. More specifically, Buyer acknowledges and accepts that TTI's products are designed for experimentation and other controlled situations in which the user is solely responsible for any and all actions or consequences of such use.
10. If Buyer or any transferee uses the products in any applications whatsoever: (1) Buyer acknowledges that such use is at the sole risk of the Buyer or the transferee, as the case may be; (2) Buyer agrees, and is fully responsible to ensure that any transferee agrees, that TTI is not liable, in whole or in part, for any claim, injury or damage arising from such use; and (3) Buyer agrees, and is fully responsible to ensure that any transferee agrees, to be responsible for any and all liabilities, claims, damages, charges and expenses (collectively referred to as "liability") incurred by reason of negligent or willful use of the products by the Buyer or any of its transferees, as well as by any respective employees, students, faculty and agents.
11. Buyer certifies that it will be the recipient of products to be delivered by TTI. Buyer acknowledges that all products are subject to the export and/or import control laws and regulations of various countries, including the export administration laws and regulations of the United States. Buyer agrees to comply strictly with all U.S. export laws and to assume sole responsibility for obtaining licences to export or re-export as may be required, and acknowledges that Buyer shall not directly or indirectly export any TTI products to any country to which such export or transmission is restricted or prohibited. Buyer acknowledges and agrees, and is fully responsible to ensure, that all products sold by TTI cannot be and will not be transferred, sold or re-exported to (i) any party on the Entity List or Restricted Person List of the U.S. Department of Commerce, Bureau of Export Administration, (ii) any party designated by the U.S. Treasury Department's Office of Foreign Assets Control, or (iii) any party debarred or sanctioned for proliferation or terrorism reasons by the U.S. State Department.
12. The following patent numbers apply to TTI's products:
Canada: 461,493; U.S.A.: 4,698,668; Europe: 0,136,085