

SPECTRUM INSTRUMENTS - TERMS AND CONDITIONS

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1. ACCEPTANCE: This proposal, providing it is accepted within 30 days (or such time as may otherwise be expressly agreed), shall constitute the entire agreement between the parties and there are no other agreements, either written or oral, to conflict with, alter or enlarge this agreement unless agreed to in writing between the parties. Spectrum Instruments Ltd., the Company, makes this quotation subject to approval of the Purchaser's credit. The Company may request payment in advance, notwithstanding payment terms specified if, in the opinion of the Company, the Purchaser's financial conditions do not at any time warrant continuation of the work.

2. PRICES, TAXES AND PAYMENT: The prices quoted are in Canadian dollars, US dollars or Euros as noted within the quote, unless otherwise specified, and are based on exchange rates (US/Cdn/Euro as may be applicable), Government taxes, or regulations in force at the date of this proposal. Such prices are subject to increase or decrease in accordance with any changes in effect at time of shipment in exchange rates and such regulations, at the sole discretion of the Company. If completion of the work is delayed from any cause for which the Purchaser is directly or indirectly responsible, the date of completion of the work by the Company shall be regarded as the date for determining when payments for the work are to be made. The Company shall be entitled to charge reasonable storage charges over the prices quoted where storage of repaired equipment results from any cause for which the Purchaser is directly or indirectly responsible. Any payments not made to the Company when due shall be subject to a service charge, but this shall not be construed as obligating the Company to grant any extension of time in the terms of payments.

Service Charge Rates:

30 day+ overdue accounts.....	2% per 30 day period
Visa transactions.....	5%
International electronic bank deposits.....	\$45.00 per transaction
NSF fee.....	\$50.00 per event
Restocking charge.....	15% - 100% (varies by product)

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3. WARRANTY: The Company warrants that services to be provided in supervising, repairing, training or those parts of the equipment specified in this quotation shall reflect the normal and accepted industry practices. The Company will repair or replace any defective part of component within the scope of this quotation F.O.B. the Company's nearest service centre where such part or component proves to be defective under normal and proper use within one year from the date of supply. This warranty is superseded by any warranty provided by the manufacturer of components supplied. The foregoing constitutes the only warranty of the Company and there are no other warranties or conditions, express or implied, statutory or otherwise, relating to the work to be performed or to the parts or components to be supplied by the Company under this quotation.

4. FORCE MAJEURE: The Company shall not be responsible for any loss, damage, detention, or delay caused by war, invasion, insurrection, riot, the order of any civil or military authority, or by fire, flood, weather or other acts of the elements, breakdown, lockouts, strikes or labour disputes, the failure of the Company's suppliers to meet their contractual obligations or any other cause beyond the reasonable control of the Company including any default of the Purchaser and the time for the performance by the Company of its obligations shall be extended by an amount of time equal to the delay caused by such an event.

5. LIMITATION OF LIABILITY: Notwithstanding any other provisions herein contained or any applicable statutory provisions, the Company shall not be liable to the Purchaser for special or consequential damages or damages for loss of use arising directly or indirectly from any breach of this contract, fundamental or otherwise, or from any tortuous acts or omissions of its employees or agents. The liability of the Company shall not exceed the unit price of the defective work.

6. SHIPPING: The customer's Purchase Order should include clear instructions related to the customer's preferred freight carrier, required level of freight service, as well as the associated customer account number. In the event the customer's preferred carry does not service Spectrum's shipping point, Spectrum will make a reasonable attempt to contact the customer to secure an approved alternate carrier and account. However, if Spectrum is unable to secure the name of an alternate

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carrier, **OR** should the customer not provide shipping instructions in his original Purchase Order, Spectrum Instruments will select a carrier of its choice, using Spectrum's discretion regarding level of service. Shipping costs resulting from Spectrum's carrier selection will be prepaid and charged to the customer's account. United Parcel Service (UPS) is currently Spectrum's default domestic and international carrier. Spectrum Instruments takes no responsibility for consequential or associated customer damages that may result from the late delivery of **any** order, by **any** carrier, under **any** circumstances.

7. **ELECTRICAL APPROVALS**: The Company markets a wide variety of products from an equally diverse list of quality suppliers. Electrical approval varies by product and source – from no approval up to intrinsically safe approval. The Company does not include any electrical approvals in any offering unless specifically identified in the Company's proposal. It is the responsibility of the customer to identify any electrical approval requirements at time of his inquiry. If the product proposed by the Company is unable to meet the customer's electrical approval requirement, the Company may offer local Electrical Safety Authority (ESA) as an alternative at extra cost. The Company takes no responsibility, financial or otherwise, to comply with the customer's electrical approval requirements when the electrical approval requirement is not clearly stated in the Customers 'scope-of-supply', or is presented after the Company's proposal has been issued.