PGMR STANDARD CONTRACT TERMS

These Standard Contract Terms ("**Terms**") are entered into between Precision Guide Machinery & Repair Ltd. a company incorporated pursuant to the laws of British Columbia (the "**Company**") and the party set out in the purchase order (the "**Purchase Order**") to which these Terms are attached (the "**Client**"). Collectively, the Terms and any Purchase Order are referenced herein as the "**Agreement**".

1. SALE OF PRODUCTS

1.1. Sale of Products. Subject to the terms and conditions contained in this Agreement, the Company agrees to supply to the Purchaser the products (the "**Products**") for the purchase price set out in the Purchase Order, plus applicable taxes, due and payable on the terms set out in the Purchase Order.

1.2. Shipping and Delivery Date. Unless otherwise expressly agreed by the parties in writing, Company shall select the method of shipment of and the carrier for the Products. Each shipment of Products shall constitute a separate sale, and Client shall pay for the Products shipped, in accordance with the payment terms specified in the Purchase Order, whether such shipment is in whole or partial fulfilment of a Purchase Order. The Company shall make commercially reasonable efforts to deliver the Products the Client on or about the delivery date set out in the Purchase Order (the "**Delivery Date**").

1.3. Late Delivery. The Client acknowledges that the Delivery Date is an estimate only, and may be affected by factors outside the Company's control. In the event the Company fails to deliver the Products within one hundred and eighty (180) calendar days after the Delivery Date, and such delay is not caused by the Client or otherwise permitted pursuant to this Agreement, Client may, as its sole remedy for such breach, cancel the portion of the related Purchase Order covering the delayed Products by giving Company, in which case the Agreement shall be terminated in respect to those Products and the Company shall return to the Client any Deposit held in respect to the same. For greater certainty, without limiting the generality of the foregoing, the Client agrees and acknowledges if the Company fails to deliver the Products by the Delivery Date the Client shall not be entitled to any remedy or compensation of any nature other than as set out in this section 1.3, and that no delay in the shipment or delivery of any Products relieves Purchaser of its obligations under this Agreement, including accepting delivery of any remaining instalment or other orders of Products.

1.4. Delivery Terms. The Products shall be delivered to the location specified in the Purchase Order (the "**Delivery Location**"). The Client shall be responsible for unloading and uncrating the Products at the Delivery Location. Title to and risk of loss in the Products shall pass from the Company to the Client on delivery of the Products to the Delivery Location.

1.5. Inspection. Client shall inspect Products received under this Agreement promptly upon receipt of the same. If any such Products fail to comply with the specifications set out in a Purchase Order or the Warranty set out in section 3.2 (such Products referenced as "**Non-Conforming Products**"), the Client may reject such Products by:

(a) proving the Company with written notice of such Non-Conforming Products within five (5) business days of the date of delivery of such Non-Conforming Products, stating with specificity all defects and non-conformities, and furnishing such other written evidence or other documentation as may be reasonably required by Company; and

(b) obtaining a return authorization number from the Company in respect to the Non-Conforming Products and shipping, at the Client's expense and risk of loss, all Non-conforming Products to the Company at a location specified by the Company.

Client will be deemed to have accepted the Products unless it complies with (a) and (b) above, and all defects and non-conformities that should have reasonably discovered by the Client upon its inspection and are not so specified will be deemed waived by Client, such Products shall be deemed to have been accepted by Client, and no attempted revocation of acceptance will be effective.

1.6. Remedies Regarding Non-Conforming Products. If Client complies with section 1.5(a) and (b) above, Company shall determine, in its reasonable discretion, whether the Products are Non-conforming Products. If Company determines that such Products are Non-conforming Products, it shall in its sole discretion either:

(a) replace such Non-conforming Products with conforming Products and ship such replacements to the Client at its expense; or

(b) refund to Client such amount paid by Client to Company for such Non-conforming Products.

THE REMEDIES SET FORTH IN THIS SECTION 1.6 ARE CLIENT'S EXCLUSIVE REMEDY FOR THE DELIVERY OF NON-CONFORMING PRODUCTS BY THE COMPANY.

1.7. Technical Support. Company shall provide technical support in respect to the Products by phone between 8 a.m. and 5 p.m. PST Monday to Friday. Company may provide after-hours and on-site technical support in respect to the Products subject to additional fees to be agreed to between the parties. Company shall not otherwise have any obligation to provide installation support or training in respect to the Products.

2. PURCHASE TERMS

2.1. Deposit. If required by the Company, the Client shall provide the Company with a non-refundable deposit in the amount set out in the Purchase Order by the date set out in the Purchase Order (the "**Deposit**"). The Deposit may be allocated by the Company to any amounts owing by the Client to the Company in the Company's discretion. All orders are non-refundable, and in the event Client cancels an order the Company may, without limiting its other remedies hereunder, retain the Deposit free and clear of any claims by the Client in respect to the same.

2.2. Method of Payment. Any payments due hereunder shall be paid by bank draft, wire transfer, or such other reasonable means as may be agreed to between the parties. Any wire transfer fees or other payment processing fees shall be the responsibility of the Client.

2.3. Interest. Without limiting Company's other rights or remedies hereunder (a) any late payment towards any amount owing pursuant to this Agreement shall subject to interest at a rate of eighteen percent (18%) per annum, compounded monthly, and (b) the Company shall be entitled to suspend performance of its obligations under this Agreement, including shipping any further Products, immediately until any amount owing to the Company hereunder is paid in full.

2.4. Security Interest. To secure Client's prompt and complete payment and performance of any and all present and future indebtedness to the Company, Client grants the Company a first-priority security interest, with priority over all other liens, claims and encumbrances, in all Products purchased under this Agreement as well as all proceeds (including insurance proceeds) of the foregoing. Client acknowledges that the security interest granted under this Section 2.4 is a purchase-money security interest under applicable law. Company may file a financing statement for such security interest and Client shall execute such statements or other documentation necessary to perfect Company's security interest in such Products. Client also authorizes Company to execute, on Client's behalf, such statements or other documentation necessary to perfect Company's security interest in such Products. Company shall be entitled to all applicable rights and remedies of a secured party under applicable Law.

2.5. No Set-Off. Client shall not have any right to withhold, offset, recoup or debit any amounts owed to Company against any other amount alleged to be owed to Client by the Company, whether relating to Company's breach or non-performance of this Agreement or otherwise.

3. REPRESENTATIONS AND WARRANTIES

3.1. Representations and Warranties. Each party represents and warrants to the other that: (a) it is a corporation validly existing in its jurisdiction of incorporation, (b) it has the full right and authority to enter into, execute, and perform its obligations under the Agreement; and (c) the execution, delivery and performance of the Agreement and the consummation of the obligations contemplated by it, have been duly authorized by the requisite corporate action on its part.

3.2. Product Warranty. The Company represents and warrants that for a period commencing on the date the Products are delivered to the Client and ending on the earlier of the date that is (a) eighteen (18) months after the Products are delivered; or (b) the date that is twelve (12) months after the Products are installed by the Client (the "**Warranty Period**"), the Products shall be free of material defects in materials and workmanship (the "**Warranty**"). Notwithstanding the foregoing, Client acknowledges that the Products may contain parts manufactured by a third party ("**Third-party Products**"). Third-party products are not covered

by the warranty in Section 3.2 and the Company makes no representations and warranties in respect to the same.

3.3. Warranty Limitation. The Warranty shall not apply in respect to Products that have been subjected to negligence, accident, improper installation storage or handling, abnormal physical stress or environmental conditions, use contrary to any instructions issued by Company or repair by a third party not authorized by the Company.

3.4. Warranty Claims. If during the Warranty Period, in the event that the Client discovers any Products that do not comply with the Warranty (the "**Defective Products**") Client shall:

(a) notify Company in writing, of any alleged defect within fifteen (15) business days from the date Client discovers, or upon reasonable inspection should have discovered, such alleged defect (but in any event before the expiration of the applicable Warranty Period); and

(b) obtain a return authorization number from the Company in respect to the alleged Defective Products and ship, at its expense and risk of loss, such alleged Defective products to a location determined by the Company.

3.5. Warranty Remedy. If Client complies with section 3.4 above and the Company's inspection and testing reveals that such Products are Defective and any such defect has not been caused or contributed to by any of the factors described under Section 3.3, Company shall in its sole discretion either:

(i) replace such Defective Products with conforming Products and ship such replacements to the Client at its expense; or

(ii) refund to Client such amount paid by Client to Company for such Defective Products.

THIS SECTION 3.5 SETS FORTH CLIENT'S SOLE REMEDY AND COMPANY'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED PRODUCT WARRANTY SET FORTH IN SECTION 3.2. For greater certainty, the Client shall have no additional remedy pursuant to this section 3.2 to 3.5 in respect to any defects or non-conformities with the Warranty that the Client should have reasonably discovered upon its initial inspection of the Products pursuant to section 1.5, and the Client's remedies pursuant section 1.6 shall be the Client's sole remedies in respect to any such defects or non-conformities.

4. LIABILITY LIMITATIONS

4.1. DISCLAIMER. EXCEPT AS SET OUT IN SECTION 3.2 ABOVE, THE PRODUCTS ARE PROVIDED "AS-IS" AND AS AVAILABLE AND THE COMPANY MAKES NO REPRESENTATIONS, WARRANTIES OR CONDITIONS, EXPRESS, STATUTORY OR IMPLIED WITH RESPECT TO THE PRODUCTS INCLUDING ANY IMPLIED CONDITIONS OR WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED. CLIENT ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY COMPANY, OR ANY OTHER PERSON ON COMPANY'S BEHALF, EXCEPT AS SPECIFICALLY PROVIDED IN SECTION 3.2 OF THIS AGREEMENT

4.2. Limitation of Damages. Notwithstanding anything herein contained to the contrary, in no event whatsoever will Company, its directors, officers, employees, agents, contractors or affiliates, be liable for any claim for: (a) punitive, exemplary or aggravated damages; (b) damages for loss of profits or revenue; (c) indirect, consequential or special damages of any kind; or (d) contribution, indemnity or set-off in respect of any claims against Client by any third party.

4.3. Maximum Liability. Without limiting the generality of sections 4.1 and 4.2, the maximum total liability of Company, and its suppliers, directors, officers, agents, representatives, shareholders and employees, for any claim whatsoever, under any circumstances, regardless of the cause of action and including without limitation claims for breach of contract, tort, negligence or otherwise, and Client's sole remedy therefore, shall be strictly limited to an award for direct, provable damages not to exceed the amount paid by Client to Company hereunder up to the date the facts giving rise to such cause of action occurred.

4.4. Limitation on Actions. Notwithstanding anything herein contained to the contrary, no action arising out of or relating to the Agreement, or Company's obligations hereunder, regardless of form, may be brought by Client more than twelve (12) months after the facts giving rise to the cause of action have occurred,

regardless of whether those facts by that time are known to, or reasonably ought to have been discovered by Client.

5. GENERAL

5.1. Entire Agreement. This Agreement, including any Purchase Order, is the sole and entire Agreement between the parties relating to the subject matter hereof, and supersedes all prior understandings, agreements and documentation relating to such subject matter, whether oral or in writing. In the event of any conflict or inconsistency between the Terms and a Purchase Order, these Terms shall take precedence. In the event of a conflict between these Terms and the terms of the Purchase Order these Terms shall prevail to the extent of the conflict.

5.2. Amendments. The Agreement may only be amended by the mutual written consent of both parties. No party shall claim any amendment, modification, or release from any provision hereof by mutual agreement, acknowledgement, unless in writing and signed by an authorized representative of each party

5.3. No Waiver. Neither party will be deemed to have waived any of its rights under the Agreement by lapse of time or by any statement or representation other than (a) by an authorized representative and (b) in an explicit written waiver. No waiver of a breach of the Agreement will constitute a waiver of any prior or subsequent breach of this Agreement.

5.4. Severable Provisions. In the event that any article, section, clause, paragraph or subparagraph of this Agreement shall be held to be indefinite, invalid, illegal or otherwise voidable or unenforceable for any reason whatsoever, the unenforceability or invalidity shall not affect the enforceability or the validity of the remaining portions of this Agreement, and such unenforceable or invalid article, section, clause, paragraph or subparagraph shall be severable from the remainder of this Agreement.

5.5. Non-Solicitation. The Client will not, during the term of this Agreement and for a period of two (2) years thereafter, in any capacity or manner, whether directly or indirectly, individually or jointly or in conjunction with any person: (a) induce or attempt to induce any customer, supplier, partner or contractor of the Company to reduce or curtail its business with the Company or to terminate its relationship with same; (b) induce or encourage any employee, contractor or subcontractor of the Company to leave the employment of, or engagement with, the Company, or authorize, assist, approve or encourage any such action by any other person; or (c) hire or attempt to hire or otherwise solicit any employee, contractor or subcontractor of the Company, or authorize, assist, approve or encourage any such action by any other person.

5.6. No Joint Venture. The relationship of the parties shall at all times be that of independent contractors and is not, and no party shall represent itself to be an agent, joint venturer, partner, officer, director or employee of the other party. The relationship under the Agreement shall not create any legal partnership, franchise relationship or other form of legal association between the parties that would impose a liability between the parties or to third parties.

5.7. Assignment. Neither party may assign or delegate its duties under the, in whole or in part, without the non-assigning party's prior written consent, such consent not to be unreasonably withheld, and any purported assignment in breach of this section shall be of no force and effect.

5.8. Inurement. The Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

5.9. Governing Law. The Agreement shall be governed by the laws of the British Columbia and the federal laws of Canada applicable therein, without regard to the conflict of laws. The parties attorn to the exclusive jurisdiction of the courts of British Columbia for the resolution of any dispute related to this Agreement.

5.10. Further Acts. Each Party shall do such acts and shall execute such other documents and will cause the doing of such acts and will cause the execution of such further documents as are within its power as any other party may in writing at any time and from time to time reasonably request be done and/or executed, in order to give full effect to the provisions of the Agreement.

5.11. Notices. All notices, consents and other communications hereunder shall be in writing and shall be provided by email to the email addresses for each party set out in the applicable Purchase Order.

5.12. Legal Advice and Interpretation. Each of the parties hereto acknowledges that each party had an opportunity to obtain legal advice before entering into the Agreement. The parties further agree that no law or rule of construction shall be raised or used in which the provisions of the Agreement shall be construed in favor or against any party hereto because one is deemed to be the author thereof.

5.13. Headings. The division of the Agreement into articles, sections, subsections and paragraphs and the insertion of headings are for convenience and reference only and shall not affect the construction or interpretation of the Agreement. The articles, section, subsection and paragraph headings in the Agreement are not intended to be full or precise descriptions of the text to which they refer and shall not be considered part of the Agreement.

5.14. Number and Gender. In the Agreement, words importing the singular include the plural and vice versa; and words importing gender include all genders.

5.15. Conflicting Terms. Unless explicitly accepted in writing by Company, any other document provided by Client on acceptance of these Terms or a Purchase Order, or that otherwise that attempts to modify or supersede this Agreement or impose additional terms in respect to the sale of the Products, shall be of no force and effect, and this Agreement shall be the sole agreement between the parties regarding the supply of Products.

5.16. Counterparts. Any Purchase Order may be executed in any number of separate original counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one agreement. Delivery of an executed counterpart of a signature page to the Purchase Order by fax or email shall be effective as delivery of a manually executed counterpart, and if so executed and transmitted, the Purchase Order and these Terms will be for all purposes as effective as if the parties had delivered and executed original copies of the Purchase Order.