

TERMS AND CONDITIONS

Any contract for the sale of Goods or Services between QMI Security Solutions ("Seller") and Buyer shall be subject to the terms and conditions contained herein unless such contract is signed by Seller and specifically states that the provisions contained therein are intended to supersede the provisions contained herein. Any inconsistent or additional terms contained in a document received from Buyer are rejected and shall not become part of any contract.

1. **Price.** All quoted prices are based on the specified quantities and delivery schedule. Any change(s) in either quantity or delivery, requested by Buyer, may cause the prices to change to reflect the new quantity and or the new delivery date. Prices quoted in writing are good for 30 calendar days from issuance of quote.
2. **Proprietary Rights.** Prices quoted and charged are for the Goods only and do not include technical data, proprietary rights of any kind (including moral rights), patent rights, trade marks or qualification, environmental or other testing.
3. **Terms of Payment.** Buyer will pay in cash upon delivery of Goods or rendering of Services unless Buyer has an approved credit account with Seller and Seller does not require immediate payment in cash. Terms of payment on approved credit account are net 30 calendar days from date of shipment or rendering of Service. A finance charge equal to 1.50% per month (18.00% per annum) will be added to all delinquent accounts. Remittance in U.S. Dollars. Returned checks are subject to a minimum \$35 per item fee.
4. **Taxes.** Buyer will be solely responsible for payment directly to taxing authority or reimbursement to Seller, when paid by Seller, of all sales, use or similar taxes, and any duties or permits or any other fees imposed upon this transaction by an level of government whether due at the time of sale or later (excluding Seller's income taxes).
5. **Delivery, Performance, and Inspection.** All shipments are made F.O.B. shipping point, and Buyer shall pay all shipping and freight charges, and Buyer assumes all liability for losses or damages in connection with the shipping upon delivery of the Goods to a carrier for shipment to Buyer. Delivery dates are approximate based on conditions existing at the time of the quoting and are not guaranteed. Buyer agrees that failure to make the delivery date does not constitute a cause for cancellation. Buyer shall inspect the Goods immediately upon arrival at Buyer's facility or other consigned destination. Failure by Buyer to give written notice of any problems within 10 calendar days shall constitute irrevocable acceptance of the Goods and Buyer shall be bound to pay the purchase price of the Goods.
6. **Force Majeure.** Seller shall not be liable for delay or other failure of performance due to causes beyond its reasonable control including without limits acts of God, acts of Buyer, acts of military or civil authorities, illegally or regulatory restriction, fire or other casualty, strikes, lockouts, weather, war, or inability to obtain necessary labor, materials, equipment, transportation, energy, or utilities through Seller's usual and regular sources at usual and regular prices.
7. **Returns.** Custom manufactured goods can only be returned at Seller's sole discretion. Returned Goods accepted are subject to a restocking charge equal to 75% of the purchase price.
8. **Tools.** Special tools, dies, patterns, and molds ("Tools") may be required in completing Buyer's order. Title to such Tools shall remain in Seller even though a partial charge may be made to Buyer. For a period of one year from the date of last prior order, and provided such Tools are functional in Seller's reasonable discretion, such Tools will be available for use in connection with Buyer's orders.
9. **Cancellation.** No order in process is subject to cancellation, deferment of delivery, or changes in quantity or specification.
10. **Warranty Disclaimer.** **THE ONLY WARRANTIES GIVEN BY SELLER TO BUYER ARE CONTAINED IN "QMI SECURITY SOLUTIONS LIMITED WARRANTY." ALL OTHER WARRANTIES AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE GOODS SOLD OR THE SERVICES RENDERED ARE HEREBY DISCLAIMED BY SELLER AND EXCLUDED.**
11. **Limitation of Damages.** Seller shall not be liable to Buyer for any exemplary, proximate, consequential or incidental damages, whether arising under contract, tort (including negligence), strict liability, or other theory of law or equity. Seller's maximum liability to Buyer shall not exceed the contract price of the order giving rise to the claim, demand, or cause of action.
12. **Limitation of Actions.** Any action for any loss or damage with respect to the Goods or Services covered hereunder must be commenced by Buyer within one year after Buyer's cause of action has accrued.
13. **Indemnification.** Buyer shall defend, indemnify and hold harmless Seller from any loss or damage sustained arising in whole or in part out of alleged infringement of any patent, trademark, copyright or misappropriation of trade secret as a result of Seller's performance in accordance with Buyer's designs, plans or specifications.
14. **Advice and Assistance.** Upon request, Seller at its discretion, may furnish as an accommodation to Buyer, technical advice or assistance regarding the Goods. Seller assumes no obligation or liability for the advice or assistance given or results obtained, which shall be at Buyer's sole risk. Such goods or services provided to Buyer are to be used only consistent with Seller's terms and conditions contained herein and not in contravention of any applicable law.
15. **Correction of Errors.** Notwithstanding any provision to the contrary, Seller may correct any clerical or typographical errors or omissions and the Contract will be interpreted and enforced in accordance with such correction(s).
16. **No Waiver.** No terms contained herein shall be deemed waived and no breach or default shall be deemed excused unless such waiver is in writing and signed by Seller. No consent by Seller, or waiver of a breach or default by Buyer, shall constitute a consent to, waiver of, or excuse for any different breach or default.
17. **Attorneys' Fees and Costs.** In any action arising hereunder, the Buyer shall be liable for all reasonable attorneys' fees and litigation expenses that Seller may incur.
18. **Governing Law.** Any action arising hereunder shall be governed by the laws of the State of Illinois exclusive of Illinois choice of law. The parties agree that the exclusive venue for such action shall lie in the Circuit Court of DuPage County, Illinois.