



TERMS AND CONDITIONS OF SALE

FALKEN Secure Networks (FSN) reserves the right to accept or reject any Purchase Order or Request for Service. Acceptance of your order, as detailed in the attached Sales Acknowledgement, is subject to the terms and conditions below.

1. **Acceptance.** If these terms and conditions, including those set out in the Sales Acknowledgement, differ in any way from the terms and conditions set out in your purchase order, these terms and conditions will be construed as a counter-offer and will not be effective as an acceptance. These terms and conditions will be deemed accepted by you without modification or qualification, unless we receive written objection to the terms and conditions prior to: (a) the carrier taking possession of the ordered products at our dock; or (b) software is downloaded to you; or (c) within three (3) business days after we have faxed these terms and conditions; whichever occurs first. Additional or conflicting terms and conditions set out in your purchase order are objected to and excluded. Acceptance of a purchase order does not obligate us to accept any future purchase orders or obligate you to submit purchase orders in the future. Conflicting terms and conditions, set out in a separate signed written agreement between us, take precedence over these terms and conditions.

2. **Shipments & Product Returns.** Unless you request otherwise in your purchase order, we will at your expense and risk arrange for shipment through our choice of carrier. All shipping charges are added to your invoice. Shipping charges will be those in effect the day the shipment is shipped from our dock. You are responsible for claim processing. Any loss or damage claim must be filed with the carrier by you. Invoices relating to the lost or damaged shipment will remain owing in full. Before returning product for any reason, you must first obtain a return material authorization number (RMA #) from us.

3. **Payment.** Payment Terms are specified by FSN with every price quotation provided and should be detailed on all customer Purchase Orders. Any overdue accounts will be subject to an interest charge of 1.5% per month (18.0% per year) until paid. We reserve the right to request payment in full or in part prior to delivery and to delay delivery or cancel your purchase order if you fail to make payment prior to delivery as requested. All amounts set out in accounts rendered by us represent net amounts we are entitled to receive and are not subject to any deduction or set off for any reason whatsoever. Any inter-bank charges applicable to payments made by you are your responsibility and will be charged back to you.

4. **Buyers Remorse.** Falken Secure Networks will honour a Buyers Remorse Request from you in writing within five (5) calendar days of receipt of your Purchase Order, provided that the Product or Service has not been shipped or downloaded as a result of an expedited request or instruction on your Purchase Order. In the event non-recoverable costs have been expended as a result of your order, you will be responsible only for those costs which can not be recovered but no additional penalties will be levied.

5. **Limited Warranty/Limitation of Liability.** We warrant to you that at the time of delivery the products will be of good commercial quality and comply, in all material respects, with the specifications referenced on the order acknowledgement form, if any. FSN will pass through to you all product or service warranties provided by our supplier partners. If you prove to our satisfaction that a product is not in compliance with this warranty we will, at our option, either: (a) repair the product to bring it in compliance on a Repair and Return basis or replace it, all at no charge to you (excepting one-way shipping costs back to the manufacturer); or (b) issue a credit for the purchase price paid by you for the product. To make a warranty claim, please contact our customer service first. We make no representation or warranty that the products may be marketed and/or sold in the country of destination or that they do not infringe upon any third party proprietary rights in the country of

destination. It is your responsibility to make the appropriate inquiries with regards to those matters. The warranty set out in this Section 4 is the only warranty made by us with respect to the products. NO OTHER EXPRESS OR IMPLIED WARRANTIES, CONDITIONS, OR REPRESENTATIONS APPLY, INCLUDING IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY, DURABILITY, AND FITNESS FOR A PARTICULAR PURPOSE OR USE; EXCEPT FOR THOSE IMPLIED WARRANTIES AND CONDITIONS THAT MAY NOT BE DISCLAIMED BY APPLICABLE LAW. OUR LIABILITY WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE: (a) IS LIMITED TO THE REMEDY FOR NON-COMPLIANCE WITH THE WARRANTY AS SET OUT IN THIS SECTION 4 OR, IF THIS REMEDY FAILS OF ITS ESSENTIAL PURPOSE, TO DAMAGES NOT TO EXCEED THE AMOUNT INVOICED FOR THE PURCHASE ORDER(S) GIVING RISE TO OUR LIABILITY; AND (b) TO THE EXTENT PERMITTED BY APPLICABLE LAW, DOES NOT EXTEND TO CONSEQUENTIAL, SPECIAL, INDIRECT, OR INCIDENTAL LOSSES OR DAMAGES WHICH ARE HEREBY EXCLUDED.

6. **Intellectual Property.** No interest, licence, or other rights under any of our or our supplier partner's intellectual property rights relating to any of our products is granted to you. You shall not register (whether as a trademark, domain name or otherwise) nor reproduce any trademarks used in conjunction with the products, without our prior written authorization. You shall not do anything to infringe upon, harm, or contest the validity of any of our or our affiliates' intellectual property rights. If the laws of the country of destination invest you with any property rights to any of our or our affiliates' intellectual property rights, you shall promptly, freely, and cooperatively relinquish to us such rights without recourse.

7. **Force Majeure.** We are not liable for failure to perform any of our obligations under these terms and conditions if such failure results from an event or condition, not within our control, that prevents in whole or in material part such performance or which renders such performance commercially unreasonable.

8. **Governing Law / Jurisdiction.** The agreement arising out of your acceptance of these terms and conditions is made in the province of Ontario, Canada. The validity, performance, interpretation, and enforcement of these terms and conditions, as well as our and your respective rights and liabilities, are governed by and are to be construed in accordance with Ontario domestic law to the exclusion of the UN Convention on the Contracts for the International Sale of Goods. You irrevocably consent to the exclusive jurisdiction and venue of the Ontario courts in Toronto, Ontario, Canada, with respect to any disputes arising out of or relating to the validity, performance, interpretation, and enforcement of these terms and conditions and/or our respective rights and liabilities.

9. **General.** These terms and conditions represent the entire agreement between us with respect to your purchase. No amendments or waiver of these terms and conditions is valid, unless made in writing and signed by the party against whom enforcement of such amendment or waiver is sought. If any part of these terms and conditions is declared invalid or unenforceable by a court of competent jurisdiction, the invalid or unenforceable part will be deemed severed and the remaining terms and conditions will continue in force and all rights and remedies accrued under the valid and enforceable terms and conditions, or part thereof, will survive the declaration. YOU REQUEST AND CONSENT TO THESE TERMS AND CONDITIONS BEING DRAFTED IN ENGLISH.