



Terms and Conditions of Sale

1. INTRODUCTION

The following terms and conditions govern all sales of product(s) by Micromatter Technologies Inc. "Micromatter". These terms and conditions are binding upon every sale unless specifically waived or amended in writing by Micromatter. By placing an order with Micromatter, the Buyer agrees to accept these terms and conditions and renounces its own buying terms and conditions, including any terms and conditions contained in its purchase order, if any, that conflict with those herein.

2. FORMATION AND CONTENT OF THE CONTRACT

2.1. This contract (terms and conditions) shall be deemed to have been concluded in Surrey, British Columbia, Canada.
2.2. Once an order is confirmed by Micromatter, it cannot be cancelled

without Micromatter's written agreement. In the event of cancellation, the Buyer shall reimburse all costs incurred by Micromatter in processing the order and, at Micromatter's election, shall pay a restocking fee.

3. DOCUMENTATION

3.1. No documents provided by Micromatter to the Buyer shall be incorporated, whether directly or by reference, into the contract between the Buyer and Micromatter, except for the enclosed certification sheet, where applicable, and any price quotations or purchase order forms, and except those expressly referenced in Micromatter's shipping confirmation.

3.2. The documentation supplied to the Buyer during the process leading up to the completion of each sale shall remain Micromatter's exclusive property.

4. DELIVERY AND ACCEPTANCE

4.1. The delivery of the product(s) to the Buyer shall be deemed to occur, and title shall pass, when it/they leave Micromatter's premises in the course of shipment to the Buyer. The Buyer shall bear the risk of loss resulting from any damage to or deterioration in the product(s) sold by Micromatter during the course of shipment.

4.2. All purchase orders will be shipped from the City of Surrey, Province of British Columbia, Canada. Purchase orders will be shipped via FedEx, unless other arrangements are made in advance. Shipping costs will be paid by Micromatter and added to the Buyer's invoice, together with a packing and handling charge of U.S.\$60.00.

4.3. All orders shall be deemed filled and accepted upon delivery to the Buyer.

4.4. If the Buyer, following delivery of an order, believes that the products delivered do not correspond to the specifications contained in the purchase order, it will so notify Micromatter in writing within fourteen (14) calendar days from the date of delivery.

4.5. Micromatter reserves the right to make delivery before the delivery date requested in the purchase order.

4.6. The Buyer has no right to cancel the contract or hold back any payments due because of a delay in delivery. In the absence of any written agreement entitling the Buyer to a penalty for late delivery, the Buyer is deemed to have waived all its rights to any such penalty.

5. PRICE AND PAYMENT

5.1. Unless otherwise stated, the prices of the product(s) contained in Micromatter's offers, estimate quotations, or sales confirmations are in United States currency and exclude 5% federal goods and services tax (payable by Canadian customers), British Columbia provincial sales tax of 7% (payable by British Columbia customers), shipping costs, insurance, excises, tariffs or duties, customs clearing charges or installation or training, all of which shall be for the Buyer's account. Prices, terms and specifications are subject to change without notice. Purchase orders shall not be less than U.S.\$120.00.

5.2. Payments must be made in United States funds and may be made via cheque, bank draft, wire transfer, Visa, MasterCard or American Express. Orders may be prepaid by pro-forma invoice or within 30 days of invoice on approved credit. Interest of 2% per month (26.82% annually) will be added to overdue accounts. In order to ensure that the Buyer's account is properly credited, the Buyer shall ensure that the name of its institution or business, purchase order number and Micromatter invoice number accompany payment.

6. WARRANTY

6.1. Micromatter warrants to the Buyer that the purchased products conform to the enclosed certification sheet, where applicable. Upon the Buyer providing Micromatter, within thirty (30) days of receipt of the product(s), with written notice of any non-conformance and returning the product(s) to Micromatter, Micromatter will replace any non-conforming product(s) free of charge or refund the purchase price, at Micromatter's sole discretion. The Buyer will be responsible for all costs of shipping and insuring incurred in connection with this warranty. This warranty applies ONLY to: (a) the original Buyer; and (b) product(s) that have been used solely for the purpose for which it/they is/are intended.

6.2. Micromatter EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OTHER THAN THE LIMITED WARRANTY DESCRIBED IN SECTION 6.1 ABOVE. Without limiting the foregoing, this warranty does NOT apply to normal wear and tear of the product(s), or to damage to the product(s): (a) incurred in shipping or handling; (b) due to causes beyond the control of Micromatter including mechanical shock, overheating, water damage and oxidation damage; (c) arising out of abuse, alteration or improper use or application of the product(s) by the Buyer; or (d) arising from the Buyer's failure to provide proper maintenance of the product(s). By placing an order with Micromatter, the Buyer acknowledges its understanding of all hazards involved in the use of Micromatter's product(s) and the Buyer accepts all responsibility for safe storage, handling, use and disposal of the product(s).

6.3. The total liability of Micromatter on any claim, whether in contract, tort (including negligence) or otherwise, arising out of, connected with, or resulting from the manufacture, sale, delivery, repair, replacement or use of the product(s) will not exceed the price allocable to the product(s) or part thereof that gives rise to the claim. Notwithstanding anything herein to the contrary, the foregoing is the Buyer's sole and exclusive remedy for breach of warranty by Micromatter with respect to the product(s). In no event will Micromatter be liable to the Buyer or any third party for special, indirect or consequential damages of any kind or nature, including loss of profit or revenue, loss of time, loss of use, loss of goodwill, or any other losses incurred by the Buyer, or injuries to persons or property.

7. FORCE MAJEURE

Should an event of Force Majeure occur, which prevents Micromatter from fulfilling the Buyer's order, making timely delivery, or otherwise fulfilling its obligations under the contract, or which unreasonably increases Micromatter's costs of performance, Micromatter shall have the right to reasonably extend the time for performance of the contract. Contract performance shall resume within a reasonable time after the occurrence of an event of Force Majeure and any consequential effects preventing performance have ended. Micromatter shall advise the Buyer within a reasonable time after the occurrence of an event of Force Majeure. Where such an event extends beyond six (6) months, Micromatter reserves the right to cancel the contract by written notification to the Buyer.

8. APPLICABLE LAW

This contract shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein notwithstanding any conflicts of laws rules or principles that would refer such construction to the laws of another jurisdiction. The parties specifically exclude and disclaim the application of the United Nations Convention on Contracts for the International Sale of Goods and the International Sale of Goods Act, R.S.B.C. 1996, c.236 as amended from time to time. The parties hereby attorn to the exclusive jurisdiction of the Courts of competent jurisdiction in the City of Surrey, Province of British Columbia, Canada.

9. GENERAL PROVISION

Except as expressly provided herein, these terms and conditions represent the entire contract between the Buyer and Micromatter relating to the sale of the product(s) by Micromatter. If a conflict exists between these terms and conditions and any purchase order or shipping confirmation, these terms and conditions will govern.