

TERMS AND CONDITIONS OF SALE
GFI INNOVATIONS, INC.

1. Acceptance. The following terms and conditions of sale are applicable to all sales of Products, Equipment or Services, and all quotations, order acknowledgements, and invoices, from GFI Innovations Inc. ("Seller") and to all Purchase Orders from Seller's customers ("Purchasers"). These are the only terms and conditions applicable, except those relating solely to identification of products and quantities ordered as set forth in Purchaser's Purchase Orders. Purchase Orders, if accepted by Seller, are accepted subject to the terms and conditions set forth herein. SELLER HEREBY REJECTS ANY ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS PROPOSED BY PURCHASER, WHETHER OR NOT CONTAINED IN ANY OF PURCHASER'S DOCUMENTS OR IN PURCHASER'S WEBSITE, AND SUCH ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS SHALL BE VOID AND OF NO EFFECT UNLESS SUCH ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS ARE IN WRITING SIGNED BY BOTH PARTIES SPECIFICALLY REFERRING TO AND AGREEING TO SUCH CHANGES. Purchaser's acceptance of Products or Services called for in said Purchase Order and delivered by Seller shall constitute Purchaser's acceptance of the following terms and conditions of sale (this "Agreement"). The terms "Product(s)" and "equipment" are used in this document interchangeably. The term "end-user" used in this document refers to either the Purchaser or the customer of the Purchaser and in all case refers to the installed location of the equipment, the beneficiary of services provided or the recipient of parts or accessories. Both the Purchaser and end-user (if Purchaser is not the end-user) agree to all applicable conditions contained herein. It's Purchaser's responsibility to notify end-user of their requirement to comply with applicable terms of this Agreement.

2. Quotations. Quotations are only valid in writing for 30 days from the date of the quotation unless otherwise noted. All quotations by Seller are subject to change or withdrawal without prior notice to Purchaser unless otherwise specifically stated in the quotation. Quotations are made subject to approval by Seller of Purchaser's credit. Seller shall have no obligation to sell or deliver Products or Services covered by Seller's quotation unless and until Seller issues an Order Confirmation / Acknowledgement or upon the shipment of Products or commencement of Services by Seller.

3. Prices. Prices are in U.S. Dollars. Time of payment is of the essence. All orders are accepted subject to Seller's price in effect at time of shipment unless otherwise noted.

4. Terms of Payment. Unless otherwise expressly agreed to by Seller in writing, terms of payment for equipment are as follows: 2% 10 days (via wire transfer), Net 30 Days of total Purchase Order amount (for the sum of all machine(s), accessories, services and parts ordered on any given Purchase Order) from receipt of goods. Payment Terms for the purchase of accessories, consumables (namely GFI's Accurex Cartridges), parts or services not otherwise made part of a Purchase Order for equipment are Net Due Upon Receipt. Any inspection rights granted to Purchaser will not affect or alter the payment terms or the timing of Purchaser's payment obligations. Under no circumstances will Purchaser have a right of set-off. Seller reserves the right to activate software controls to ensure Purchaser's account remains in good standing. The scheduling for manufacturing and the timeline relating to the shipment of Products shall begin the date that a fully executed Purchase Order and deposits (if required) are received and accepted by Seller. No discount shall be allowed on transportation charges. Purchaser agrees to pay interest on overdue invoices at the rate of 1 ½ % per month, but not higher than the highest rate permitted by law. If Purchaser fails to make any payment as required, Purchaser agrees to indemnify Seller for all costs and expenses, including reasonable attorney fees, court costs, and associated expenses incurred by Seller.

5. Credit Approval. All shipments to be made hereunder shall at all times be subject to the approval of Seller's credit department. Seller may invoice Purchaser and recover for each shipment made pursuant to this Agreement as a separate transaction without regard to any other order or agreement with Seller, or, if in Seller's sole judgment, the financial responsibility of Purchaser is or becomes unsatisfactory, then Seller may, at its option and without prejudice to any of its other remedies, (a) defer or decline to make any shipments hereunder except upon receipt of satisfactory security or cash payments in advance, and / or (b) terminate all Purchase Orders of Purchaser.

6. Cancellation. Once Seller has either accepted a Purchase Order or has begun taking actions with respect to such Purchase Order, such Purchase Order cannot be canceled, terminated or modified by Purchaser in whole or in part except with Seller's consent in writing and then only upon terms and conditions to be agreed upon which shall include protection of Seller against all losses. Purchaser shall indemnify Seller for any costs incurred, including material, labor and transportation costs, in connection with any Purchase Order that Purchaser desires to cancel, terminate or modify.

7. Inspection / Non – Conforming Equipment / Return of Products. Seller grants End-user the right to inspect Products for a period of ten (10) business days from

the date of delivery (the "Inspection Period"). End-user must notify Seller of any Products that do not conform to the terms applicable to their sale within the Inspection Period, and afford Seller a ten (10) day period following a claim of nonconformity to inspect such Products and take action to cure any nonconformity. If End-user fails to provide Seller with notice of nonconformity within the Inspection Period, End-user shall be deemed to have accepted the Products. Neither Purchaser nor End-user will have a right to return any Product without Seller's prior written authorization. Any return authorized by Seller not related to a non-conforming equipment related issue shall be subject to a 15% restocking charge. All returns must be accompanied by a Returned Goods Authorization ("RGA") as provided by Seller. Purchaser will be responsible for all costs and expenses associated with any returns of Products, except agreed upon non-conforming Products, and will bear the risk of loss or damage of such Products, unless Seller agrees otherwise in writing or if the Products do not conform to the applicable terms of sale. Seller, in its sole discretion, may reject receipt of any return of Product not approved by Seller and not in accordance with this paragraph or otherwise not returned in accordance with Seller's then current return policies. At no time shall Seller be responsible for Products destruction. Seller reserves the right to inspect and / or repair nonconformity at the location of the End-user.

8. Title / Risk of Loss / Delivery. Unless otherwise expressly agreed to by Seller in writing, Seller anticipates use of common carriers for transport of Products. Seller will bill Purchaser for freight and other transportation charges, including export fees, unless prepaid and designated. Delivery shall be FOB Seller's plant for deliveries within the United States, and Ex Works Seller's plant for deliveries outside the United States. Title shall pass to Purchaser upon delivery of goods and Seller's receipt of full payment thereof and until then Purchaser will keep the goods insured to the full purchase price with Seller as named loss payee. Purchaser shall assume all risk and liability for loss, damage, or destruction, as well as the results of any use or misuse by third parties who may acquire or use the Products illicitly after delivery to the carrier. Unless mutually agreed upon, shipping dates are approximate and are based upon prompt receipt of all necessary information. Seller reserves the right to ship items in a single or multiple shipments.

9. Damage. Purchaser shall notify Seller and the delivering carrier within ten (10) business days from date of receipt of Products of any damage or shortage in shipment, and shall afford Seller a ten (10) day period of time to inspect any claim of damage. Photos of damage must accompany written notification of damage if delivering carrier is engaged by Seller. Any loss occasioned by damage or shrinkage in transit will be for Purchaser's account and claims for such loss shall be made solely against the carrier.

10. Quantities. Unless otherwise agreed in writing, any variation in quantities shipped over or under the quantities ordered (not to exceed 10%) shall constitute compliance with Purchaser's Order and the stated price per item will continue to apply. (This applies to supplies and spare parts only)

11. Technical Data. All physical properties, statements and recommendations are either based on the tests or experience that Seller believes to be reliable, but they are not guaranteed.

12. Product Use. Purchaser is solely responsible for determining whether any Product is fit for a particular purpose and suitable for Purchaser's or End-user's method of application. Accordingly, and due to the nature and manner of use of Seller's Products, Seller is not responsible for the results or consequences of use, misuse or application of its Products by anyone.

13. Database Maintenance. If provided to Seller prior to installation, Seller shall install third-party database of information (e.g. color recipes or formulas) into the controlling software of applicable Product(s). Seller shall not be responsible for subsequent updates of formula database(s) made available by Purchaser, Purchaser's supplier of such information or other third-parties into the controlling software of Product(s).

14. Rights to Market. Seller reserves the right to use data attained from end-user, if any, for marketing and promotional purposes.

15. Trademarks and Trade Names. In no case shall Purchaser alter, add or remove GFI trademarks, trade names, patent numbers, brands, labels, identifying marks, symbols and legends (hereinafter "identifiers") found on or associated with Products without prior written approval from GFI. Purchaser shall not contest GFI title to or right to use any such identifiers nor shall it acquire any rights to or interest in any of the identifiers.

16. Tooling / Molds / Dies. Unless otherwise agreed in writing signed by Seller, all material, equipment, facilities, and special tooling, (which term includes but is not limited to tools, jigs, dies, fixtures, molds, patterns, special taps, special gauges, special test equipment, and manufacturing aids and replacements

thereof), used in the manufacture of the Products included in any Purchase Order shall remain the property of Seller.

17. Taxes. Purchaser shall pay to Seller, in addition to the purchase price, the amount of all fees, duties, licenses, tariffs, and all sales, use, privilege, occupation, excise, or other taxes, federal, state, local or foreign, which Seller is required to pay or collect in connection with the Products or Services sold to Purchaser. Failure by the Seller to collect any such fees or taxes shall not affect Purchaser's obligations hereunder and Purchaser shall fully defend, indemnify and hold harmless Seller with respect to such tax obligations.

18. Ownership of Intellectual Property. All drawings, know-how, designs, specifications, inventions, devices, developments, processes, copyrights and other information or Intellectual Property disclosed or otherwise provided to Purchaser, whether foreign or domestic, by Seller and all rights therein (collectively, "Intellectual Property") will remain the property of Seller or Seller's agent (including Intellectual Property owned by Seller's vendors that may be made part of equipment) and will be kept confidential by Purchaser from any and all parties, foreign or domestic, in accordance with these terms and conditions. Purchaser shall have no claim to, nor ownership interest in, any Intellectual Property and such information, in whatever form and any copies thereof, shall be promptly returned to Seller upon written request from Seller. Purchaser acknowledges that no license or rights of any sort are granted to Purchaser hereunder in respect of any Intellectual Property.

19. Confidential Information. All information furnished or made available by Seller to Purchaser in connection with the subject matter of this Agreement or of Purchaser's Purchase Order shall be held in confidence by the Purchaser. Purchaser agrees not to use such information or disclose such information to others without Seller's prior written consent. Any information furnished or made available to Seller by third-parties that may be installed on such equipment (e.g. formulation database(s)), that may be subject to the terms of a Licensing Agreement with such third-party, and is furnished to Purchaser in connection with the subject matter of this Agreement or of Purchaser's Purchase Order shall be held in confidence by the Purchaser. The obligations in this paragraph will not apply to any information which (a) at the time of disclosure was or thereafter becomes, generally available to the public by publication or otherwise through no breach by the Purchaser of any obligation herein, (b) the Purchaser can show by written records was in the Purchaser's possession prior to disclosure by Seller, or (c) is legally made available to the Purchaser by or through a third party having no direct or indirect confidentiality obligation to Seller with respect to such information.

20. Infringement and Indemnification. (a) Except as set forth below, Seller agrees to defend, indemnify and hold the Purchaser harmless against any claims, costs, damages, liability and expenses resulting from actual trademark, or copyright infringement, misappropriation of confidential information, or violation of any other Intellectual Property right, domestic or foreign, that may arise from the sale of Product that is owned by Seller and that pertains to the subject matter of this Agreement (provided that Product is not modified in any way by the Purchaser or any other party, and that the Product is used in the manner intended by Seller). If a suit or claim results in any injunction or any other order that would prevent Seller from supplying any part or Product falling under this Agreement, or if the result of such a suit or claim would, in the reasonable opinion of Seller, otherwise cause Seller to be unable to supply such parts or Products, Seller shall have the right, at its option, if it so chooses, to do one or more of the following: (i) secure an appropriate license to permit Seller to continue supplying said parts or Products to Purchaser; (ii) modify the appropriate part or Product so that it becomes non-infringing; (iii) replace the appropriate part or Product with a non-infringing but practically equivalent part or Product; or (iv) if the Seller cannot reasonably accomplish the actions specified in subparagraphs (i) – (iii), then in Seller's sole discretion, Seller may discontinue selling the part or Product without any further liability to Purchaser. (b) Purchaser agrees to defend, indemnify and hold Seller harmless against any claims, costs, damages, liability and expenses resulting from actual or alleged patent, trademark, or copyright infringement, misappropriation of confidential information, or violation of any other Intellectual Property right, domestic or foreign, that may arise from the making, using or selling of any part or Product or using any process that is owned by the Purchaser or is designed or specified by the Purchaser and that pertains to the subject matter of this Agreement. (c) If any claim is made by a third party on the basis of which indemnification may be sought under this paragraph, the party entitled to indemnification (the "Indemnified Party") shall give written notice of such claim to the party liable for such indemnification (the "Indemnifying Party") promptly after the Indemnified Party has actual notice of such claim. The Indemnifying Party shall have the right to defend and/or settle such claim at its expense, provided that it does so diligently and in good faith. The Indemnified Party shall cooperate with such defense and/or settlement and shall have the right to participate in (but not to control) such defense and/or settlement at its expense. No settlement shall be

entered into unless the Indemnified Party shall be released from all liability for such claim.

21. Force Majeure. Seller shall not be liable for failure to perform or delay in performance or delivery of any Products or Services due to (a) fires, floods, strikes, or other labor disputes, accidents, sabotage, terrorism, war, riots, acts of precedence or priorities granted at the request or for the benefit, directly or indirectly, of any federal, state or local government or any subdivision or agency thereof, delays in or lack of availability of specified goods, delays in transportation or lack of transportation facilities, restrictions imposed by federal, state or local laws, rules or regulations; or (b) any other cause beyond the control of Seller. In the event of the occurrence of any of the foregoing, the time for performance shall be extended for such time as may be reasonably necessary to enable Seller to perform. Seller may, during any period of shortage due to any of the above circumstances, allocate its available supply of Products or Services among itself and its Purchasers in such manner as Seller, in its judgment, deems fair and equitable.

22. Assignment and Delegation. No assignment of any rights or interest or delegation of any obligation or duty of Purchaser or End-user under these terms and conditions, Seller's quotation, Order Confirmation or Acknowledgement, or Invoice, or Purchaser's Purchase Order may be made without the prior written consent of Seller. Any attempted assignment or delegation will be wholly void and totally ineffective for all purposes.

23. Integration Clause. These terms and conditions, together with Seller's quotation, order acknowledgement and invoice to a Purchase Order accepted by Seller constitute the entire contract of sale and purchase between Seller and Purchaser with respect to the Products covered by this Agreement, and supersedes any prior agreements, understandings, representations and quotations with respect thereto unless agreed otherwise to in writing and signed by both parties.

24. Waiver. No failure of Seller to insist upon strict compliance by Purchaser with these terms and conditions or to exercise any right accruing from any default of Purchaser shall impair Seller's rights in case Purchaser's default continues or in case of any subsequent default by Purchaser. Waiver by Seller of any breach by Purchaser of these terms and conditions shall not be construed as a waiver of any other existing or future breach.

25. Limitation of Actions. Notwithstanding any contrary statute of limitations, any cause of action for any alleged breach of these terms and conditions by Seller shall be barred unless commenced by Purchaser within one (1) year from the accrual of such cause or action.

26. Litigation Costs. If any litigation or arbitration is commenced between Seller and Purchaser concerning any provision of this Agreement, the party prevailing in the litigation or arbitration is entitled, in addition to such other relief that is granted, to a reasonable sum as and for their attorney's fees in such litigation or arbitration, provided that if each party prevails in part, such fees shall be allocated in such manner as the court or arbitrator shall determine to be equitable in view of the relative merits and amounts of the parties' claims.

27. Choice of Laws. Any dispute arising out of or related to this Agreement, shall be governed by and construed according to the laws of the State of Illinois and litigated exclusively in a state or federal court located in Lake County, Illinois. The parties hereby agree to the exclusive jurisdiction and venue of such courts.

28. Jury Waiver. The parties hereto expressly release and waive any and all rights to a jury trial and consent to have any dispute heard solely by a Court of competent jurisdiction.

29. Severability. If any provision herein shall be held to be unlawful or unenforceable, the remaining provisions herein shall remain in full force and effect.

30. Sellers Rights to Change – From time to time Seller, at its sole discretion, and without notice, may change these Terms and Conditions of Sale.