

CUSTOM CASES INC.

General Terms & Conditions

1. General Terms and Conditions

The acceptance by Custom Cases Inc., its divisions, subsidiaries, suppliers and related companies (collectively "SELLER") of any order for merchandise is conditional upon Customer ("BUYER") assent, which is hereby given that the terms and conditions hereof and/or any order acknowledgment and/or invoice shall constitute the applicable terms and conditions of sale which shall override any purchase order given by BUYER. Confirmed orders cannot be modified by BUYER except with SELLER's prior written consent. All clerical errors, including in quotes, prices, invoices and acknowledgments are subject to correction.

2. Terms of Payment

All Invoices, subject to Prior Credit Approval, shall become due and payable in full without deduction for any reason upon receipt of the Invoice date, unless otherwise specified in writing by SELLER. If shipment is delayed by BUYER, the Invoice shall be deemed to be the date on which the merchandise was ready for shipment. In other instances, BUYER may be required to pay for any and all purchases before the order is processed. SELLER has the unilateral decision as to who can be given prior credit approval.

3. Price

SELLER has the absolute right to modify at any time, without notice, any price initially submitted.

4. Delivery

Any delivery dates that may be given by SELLER from time to time will be approximate dates which may vary, including by reason of factors which are out of SELLER's control.

5. Cancellation / Delays

SELLER reserves the right to make partial shipments and back-order items. BUYER acknowledges that certain merchandise may also become unavailable following the acceptance of an order.

SELLER shall not be liable for any costs or damages whatsoever arising from any delays or failure to deliver merchandise, including by reason of any cause beyond SELLER's reasonable control, labour disruptions, civil commotions, government action, accidents, natural disasters, fires, Acts of God and the unavailability, late receipt, shortage or inability to obtain supplies, raw materials, labour, equipment, transportation and other like causes. In such cases, SELLER may terminate an order, even if partial delivery has been made, without incurring any liability.

6. Shipping Instructions

SELLER shall use the carrier of its choice to ship merchandise to the place of destination, given by BUYER, unless instructed otherwise. BUYER shall pay for all transportation and insurance costs. Unless stipulated otherwise in writing by SELLER, all sales of merchandise shall be an FOB SELLER'S warehouse basis.

7. Shipping Damage Claims

SELLER shall not have any liability or responsibility whatsoever for damages in transit. Risk of loss or damage to merchandise shall pass to BUYER upon its being taken over by the carrier. All claims must be filed with the carrier within three (3) days following delivery.

8. Conditions of Merchandise

BUYER shall inspect all merchandise immediately upon delivery. BUYER'S acceptance of delivery shall be deemed to be an acknowledgment that the merchandise has been received in a satisfactory condition and which conforms to any purchase order. BUYER shall have ten (10) days from delivery to advise SELLER in writing of any deficiency in quality and three (3) days for any shortage claims. Failing receipt of such notices, BUYER shall be barred from invoicing any deficiencies in demand or in defence.

9. SELLER's Liability

SELLER shall not, under any circumstances, be held liable for an amount in excess of the price of the merchandise sold or, in the case of defective merchandise, the price of the defective merchandise. SELLER may not be held liable for consequential incidental, indirect, exemplary or punitive damages.

10. Made to Order Goods

Merchandise prepared according to BUYER'S own specifications is not returnable nor are orders subject to cancellation by BUYER for any reason or at any time whatsoever.

11. Default

Upon the occurrence of any of the following events, BUYER shall automatically and immediately be in default.

- Non-compliance with any term or condition of this agreement or any other obligation towards SELLER;
- The insolvency, appointment of a receiver or manager to BUYER'S assets or the seizure of any assets; or
- BUYER committing an act of bankruptcy or voluntarily and/or involuntarily becoming the subject to proceedings under insolvency legislation.

In the event of any such default, SELLER may, without notice, and at its discretion

- Deny any further credit to BUYER;
- Demand immediate and full payment of all outstanding balances;
- Cancel any pending orders and/or defer shipment of any further merchandise.

12. Denial of Credit

SELLER may, at any time, unilaterally deny any credit, initial or subsequent, to BUYER for such reason(s) it deems appropriate.

13. Collection Fees

If SELLER has recourse to a lawyer to collect unpaid accounts, BUYER shall be liable to SELLER for an amount in addition to that owed the SELLER, equal to TWENTY PERCENT (20%) of such unpaid accounts, payable as liquidated damages.

14. Changes

BUYER shall advise SELLER of any changes, which may affect its business or its financial situation. BUYER further agrees to provide SELLER with such additional information it may reasonably request from time to time, including its financial statements and such other reports customarily given by BUYER to its Financial Institutions.

15. Waiver

Failure to insist upon the performance of any of BUYER'S obligations hereunder shall not constitute: waiver of any of SELLER'S rights nor an alteration of BUYER's obligations hereunder.

16. Assignment

BUYER'S rights hereunder or to any credit hereafter granted are not assignable or transferable, including by way of merger or other corporate reorganization, without the **prior written** authorization of SELLER.

17. Applicable Law

The laws of the Province of Alberta, Canada, apply to this agreement and any sale of merchandise, regardless of Freight on Board point.