XIRIS
Inspection Solutions with Vision

Xiris Automation Inc.
5046 Mainway, Unit 2, Burlington, ON Canada L7L 5Z1
T: +1.905.331.6660   E: sales@xiris.com   www.xiris.com

STANDARD TERMS AND CONDITIONS OF PURCHASE

Vendor: _____

These terms and conditions ("Agreement") shall govern Vendor's provision of products or services to Xiris Automation Inc. ("Xiris") resulting from any purchase order issued by Xiris (a "Purchase Order"). THE TERMS OF THIS AGREEMENT SHALL GOVERN UNLESS VENDOR NOTIFIES XIRIS IN WRITING THAT IT IS REJECTING THE PURCHASE ORDER ("NOTICE OF REJECTION") AND AFTER SUCH NOTICE OF REJECTION AN AUTHORIZED SIGNATORY OF XIRIS AND THE VENDOR MUTUALLY AGREE UPON A WRITTEN AMENDMENT TO THIS AGREEMENT OR THE PURCHASE ORDER ("AMENDMENT"). In the absence of such Amendment even if Vendor issues a Notice Of Rejection, if Vendor delivers the products or services to Xiris, such products or services shall be deemed to be delivered pursuant to the terms of this Agreement.

1. ORDERS. A Purchase Order shall be deemed accepted by Vendor if no Notice of Rejection is provided, with reasons for the rejection within five (5) business days of Vendor's receipt of a Purchase Order.

2. PRICES; TERMS OF PAYMENT. All payments by Xiris shall be made net 30 days from the date Xiris receives Vendor's invoice unless otherwise negotiated. The prices and terms of payment stated herein apply to all products and services purchased hereunder. Xiris shall have no obligation to honour invoices for products or services at any increased price or additional charge unless such item is agreed to in writing by Xiris. All payments shall be conditional upon acceptance by Xiris of the products and services.

3. TAXES. Vendor shall bear the cost of all taxes and other governmental fees, charges, surcharges and assessments of whatever nature, except for any applicable provincial, state and federal taxes when the incidence of such taxes is by operation of law on Xiris, including any applicable Canadian goods and services taxes (collectively, "Xiris' Taxes"). Xiris' Taxes shall be added to the prices as applicable and stated as separate items on the invoice applicable to each Purchase Order.

4. PACKING, MARKING AND SHIPMENT. Unless otherwise specified by Xiris in writing, Vendor shall pack and mark products so as to ensure that the products reach their ultimate destination in a secure fashion. Damage discovered after transfer of title that is determined to be a result of faulty packaging or handling by Vendor shall be Vendor's responsibility. All shipments shall be made DDP Xiris's facilities in Burlilngton, Ontario, Canada (Incoterms 2000) unless otherwise mutually agreed upon in writing.

5. FORCE MAJEURE. It shall not be a default and neither Xiris nor Vendor shall be liable for a failure to perform hereunder arising from causes or events beyond a party's control and without the fault or negligence of such party. To the extent that, and so long as the obligations of either party are affected by any such cause or event, such obligations shall be suspended.

6. TOOLS. All tooling shall be subject to Xiris' Tooling Terms and Conditions, incorporated herein by this reference.

7. INSPECTION AND PRODUCT CHANGES. Xiris reserves the right to inspect all products and services prior to acceptance of such products or services, and to reject such products or services if they do not meet Xiris' reasonable requirements based on Vendor's specifications. Vendor shall not substitute or modify any products or services on a Purchase Order without the prior written consent of Xiris.

8. WARRANTY. Vendor warrants to Xiris that products and services will at the time of delivery be free and clear of all liens and encumbrances, that the Vendor has all right, title and interest necessary to provide Xiris with the rights necessary to incorporate the products or services into a product or service provided by Xiris, and that the Vendor is in compliance with all applicable laws. Vendor further warrants that for a period of twelve (12) months from delivery (the "Warranty Period") the products and services shall be free from defects in design, material and workmanship and shall conform to the specifications for such products and services. If Xiris has furnished performance requirements for the products or services purchased hereunder, Vendor further warrants that such products and services shall be fit and sufficient for the purposes of which Xiris intends to them. This warranty shall survive any inspection, acceptance, payment and sale of the products or services to end-user of a product or offering provided by Xiris. Vendor agrees that the foregoing warranties will inure to the benefit of Xiris, its successors, assigns and customers. Any products or services that do not comply with the foregoing warranties may be returned to Vendor and Vendor, shall promptly, at Xiris's option: (i) provide Xiris with a full credit of the purchase price paid by Xiris for the products or services, as applicable, to be used against future purchase from the Vendor; (ii) repair the products or services; or (iii) replace the products or services. Return of products hereunder shall be at Purchaser's expense. Delivery to Xiris of corrected or replaced products or services shall be at Vendor's expense. Products and services corrected or replaced shall be subject to all warranty and indemnification provisions of this Agreement in the same manner and to the same extent as products and services originally delivered under this Agreement.

9. INDEMNIFICATION.. Vendor agrees to defend, indemnify and save harmless Xiris, its successors, assigns, affiliates, and customers (collectively the "Indemnitees"), from and against all losses, liabilities, damages, judgments, settlements, expenses

(including, without limitation, attorney's fees), or claims (collectively, "Claims" and each a "Claim") based on injuries or damages to any person or property arising out of or in any way related to the Vendor's negligence or misconduct.. The foregoing shall not apply to the limited extent that the Claim arises from the gross negligence or willful misconduct of Xiris. Vendor further agrees to defend, indemnify and save harmless the Indemnitees against any claim that the products or services infringe any third party intellectual property right, and to procure for Xiris the right to continue using such products or services, modify such products or services so that they become non-infringing or to remove such products or services and refund to Xiris the total purchase price thereof.

10. ASSIGNMENTS. No right or obligation under this Agreement shall be assigned by Vendor without the prior written consent of Xiris, and any purported assignment without such consent shall be void.

11. CONFIDENTIALITY, PROPRIETARY INFORMATION, AND OWNERSHIP THEREOF. Vendor shall keep confidential all confidential information furnished by Xiris in connection with this Agreement, including any specifications, data, software, source code, business plans, Tools or other property ("Confidential Information"), and shall not use Confidential Information for any purpose other than that specified by Xiris, without the prior written consent of Xiris. Upon completion of all work under this Agreement or termination of this Agreement, Vendor shall, upon the demand of Xiris, promptly return to Xiris all Confidential Information and copies thereof.

12. DEFAULT AND TERMINATION. In the event Vendor is or becomes insolvent or otherwise becomes the subject of any insolvency or bankruptcy proceedings, or if Vendor fails, or appears to be unable, to perform any of its obligations in accordance with the terms and conditions of this Agreement, Xiris may cancel this Agreement in whole or in part and may pursue any further remedies available at law or in equity. No waiver by Xiris of a breach by Vendor of any provision of this Agreement shall constitute a waiver of any other breach or provision. All of Xiris' rights and remedies hereunder shall be cumulative and not exclusive.

13. LIMITATION OF LIABILITY; STATUTE OF LIMITATIONS. XIRIS SHALL NOT BE LIABLE FOR ANY INDIRECT, ECONOMIC, SPECIAL, COMMERCIAL, INCIDENTAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES (INCLUDING WITHOUT LIMITATION LOST PROFITS OR LOSS OF BUSINESS REVENUE OR EARNINGS) DIRECTLY OR INDIRECTLY ARISING OUT OF OR IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, WHETHER OR NOT SUCH DAMAGES COULD REASONABLY BE FORESEEN OR THEIR LIKELIHOOD HAS DISCLOSED TO XIRIS. Xiris' liability on any claim of any kind for any loss or damage arising out of, connected with or resulting from this Agreement, or from the performance or breach thereof, shall in no case exceed the price paid or payable by Xiris under the affected purchase order. Any action resulting from any breach on the part of Xiris as to the products or services delivered hereunder must be commenced within one (1) year after the cause of action has accrued.

14. CANCELLATION. In addition to any other provision contained herein for the cancellation or termination of this Agreement, Xiris may cancel this Agreement or any Purchase Order or part thereof, solely at its convenience, in whole or in part, by written notice to Vendor. In the event of such cancellation, Xiris agrees to pay to Vendor the actual proven net cost to Vendor incurred in good faith for products or services ordered under a Purchase Order prior to Vendor's receipt of the cancellation notice, provided, however, that in no event shall Xiris be liable for Vendor's commitments or production arrangements in excess of the amount, or in advance of the time, necessary to meet Xiris's delivery schedule specified in the Purchase Order.

15. CHOICE OF LAW. **This Agreement shall be governed by the laws of the Province of Ontario without reference to its choice of law principles.** Vendor irrevocably consents to the jurisdiction of the courts of the Province of Ontario. The parties specifically agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

16. TIME. Time is of the essence in this Agreement.

The undersigned, being a duly authorized signatory of Vendor and on behalf of Vendor, hereby accepts these Standard Terms and Conditions of Purchase.

_____
Signature

_____
Name and Title

_____
Date