

AGIT GLOBAL NORTH AMERICA, INC. STANDARD TERMS AND CONDITIONS

ALL SALES OF ALL PRODUCTS AND GOODS (hereinafter "Products") BY AGIT GLOBAL NORTH AMERICA, INC. (hereinafter "COMPANY") TO CUSTOMER ARE EXCLUSIVELY GOVERNED BY AND SUBJECT TO THE TERMS AND CONDITIONS CONTAINED HEREIN. ANY TERMS OR CONDITIONS PROPOSED BY CUSTOMER WHICH ADD TO, VARY FROM, OR CONFLICT WITH THIS AGREEMENT ARE EXPRESSLY REJECTED AND CAN BE MADE EFFECTIVE ONLY IF SUBSEQUENTLY APPROVED IN A WRITTEN DOCUMENT SIGNED AND DATED BY BOTH CUSTOMER AND AN EXECUTIVE OFFICER OF COMPANY SPECIFICALLY REFERENCING THIS AGREEMENT AND THE ORDER FORM TO WHICH THEY RELATE. UNLESS IN WRITING, COMPANY DOES NOT WAIVE ANY OF THESE TERMS ORALLY, BY CONDUCT OR OTHERWISE.

1. The submission of a quote request by Customer for Products does not constitute Company's acceptance of any order. The transmission by Company to Customer of a written or electronic order acknowledgement and/or the shipment by Company to Customer of ordered Products constitutes acceptance of the order. Once Company confirms an order, Customer may not cancel the order or change the terms of the order. Company may accept the order in whole or in part, in its sole and absolute discretion. Allocation of orders is done by the Company in its sole discretion.

2. The price will be as stated in the Company's order confirmation or invoice. Unless otherwise agreed in writing, delivery will be free on board at Company's warehouse, and title and risk of losses passes upon delivery to Customer's shipper. Customer is responsible for all freight, insurance charges, tariffs, customs, duties, excise, sales, use, GST or similar taxes. Payment must be made free of deduction or offset for any reason. Unless otherwise agreed in writing, fifty percent (50%) of the purchase price must be paid upon placement of the order with the remaining fifty percent (50%) paid at least seven days prior to the anticipated ship date. Payment must be made to Company's designated office or collection agent. All prices are stated in United States currency. Customer will pay interest on any unpaid balance at the annual rate of ten percent (10%) (but in no event more than the maximum rate allowed by law) from the date due until paid. For each Customer check returned by the bank for insufficient funds, Customer will pay to Company fifty dollars (\$50.00) as a handling charge. Customer represents and warrants its financial solvency at the time that each order is placed with Company and Customer makes a continuing representation and warranty of its solvency through the date of delivery of each order. In the event that Customer becomes insolvent, calls a meeting of creditors, files bankruptcy or proposes a plan for the payment of creditors, Company may declare all sums immediately due and payable and Company may cancel any existing orders. Late payment or partial payment of any invoice voids all discounts, allowances and incentives, if any. Each delivery is deemed to be a separate contract with respect of those Products delivered. Any delay in delivery will not render the order subject to cancellation, entitle Customer to any damages however arising, or entitle Customer to cancel other orders. Provided that Customer may cancel any order that is not shipped within thirty days of the promised ship date. Company has the right to partial ship Products contained in a single order, reject orders, or withhold shipments as Company in its discretion may decide. Company's bill of lading or delivery memorandum is deemed accurate for all purposes, except fraud on the part of Company.

3. Nothing in this Agreement obligates Company to continue to sell Products to Customer for any period of time, extend credit to Customer except on terms acceptable to Company in its sole and absolute discretion, or restricts Company from selling any Products to any other wholesaler, retailer, distributor or other person or entity regardless of their proximity to Customer. Nothing in this Agreement obligates Customer to resell the Products at any particular price notwithstanding any recommended price suggested by Company or restricts Customer from selling any other products that may directly compete with the Products. Provided that, unless otherwise agreed in writing, Customer may only sell Products bearing the Company's trademarks in the country in which it is located and not outside of such country. Unless otherwise agreed in writing, Company exclusively owns all rights to patent any Products, components, manufacturing processes, materials and compositions. Unless otherwise agreed in writing and paid for in full by Customer, Company owns all molds and tooling used to manufacture the Products. For all Products bearing the Company's trademarks, Customer acknowledges Company's trademarks in the Products, agrees to advertise and market Company's products with the appropriate trademark names and symbols, and agrees that it will not claim the Company's trademarks as its own or infringe upon the Company's intellectual property rights. Customer will not use any Company trademarks as its business name or seek to register any of the Company's trademarks as its own, nor will Customer register or use any internet domain name containing the Company's trademarks. If Customer supplies or directs the trademarks, graphics, designs, logos or words to be placed on the product, then Customer warrants and represents that it holds the ownership, license or other right to use the same and that the same does not infringe the patents, copyrights or trademarks of any other person or entity; Customer will defend, indemnify and hold harmless Company from all claims of infringement of the intellectual property rights of any other person or entity in any graphics, designs, logos or words supplied or directed to be used by Customer. Company claims no rights in any Customer supplied trademarks and Company agrees not to use any Customer trademarks except to manufacture Customer's products

4. LIMITED WARRANTY. (a) Unless otherwise agreed in writing, Company is granted a Two Percent (2%) defect allowance on all Products delivered to Customer. That is, Company shall credit Customer the purchase price of all defective units or replace all defective units that exceed 2% of all units sold by Company to Customer in any particular order. Customer shall not receive any credit or replacement for defective units unless and until the number of defective units exceeds 2% of the total number of units sold by Company to Customer in that particular order. Returns of products must be made within one year after delivery to the Company's customer (not the consumer). Company has the right, at its option, to either replace the defective or non-conforming Products, or repay or credit Customer the purchase price of such Products in excess of the defect allowance. (b) Customer must notify Company in writing within ten (10) calendar days after Customer's receipt if Products do not conform to an order or are visibly defective or damaged in any manner upon receipt. Customer agrees to make available for inspection at a place and time designated by Company any Products that Customer claims are non-conforming, defective or damaged. Customer's failure to notify Company of such visible non-conformance, defect or damage in the aforementioned time frame will bar any return or claim relating thereto. (c) Company is not liable for normal manufacturing variations, including minor variations in color and in surface smoothness and flatness. Damage to a Product from wear and tear, misuse, overexposure to the sun or elements, crushing, pressure or impact, including snapping, punctures, scrapes, or dents, are not covered by any warranty and are not included in calculating the defect allowance. Products used for commercial purposes such as rentals and instructional schools are not warranted for any period of time and also may not be included in calculating the defect allowance. Company is not bound by or to any warranties that Customer offers to its customers or consumers, and Company is not responsible for any refunds, credits or returns that Customer grants to its customers or consumers. Company does not represent, warrant or guarantee the price for which Customer may be able sell Products, nor does Company represent, warrant or guarantee any margins expected to be made by Customer on the sale of Products. (d) COMPANY IS NOT LIABLE FOR ANY CONSEQUENTIAL DAMAGES TO CUSTOMER NO MATTER HOW ARISING. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, COMPANY MAKES NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS FOR PURPOSE, OR OTHERWISE. COMPANY'S LIABILITY FOR BREACH OF ANY WARRANTY OR CONTRACT IS LIMITED SOLELY TO THE PURCHASE PRICE OF SUCH PRODUCTS OR THEIR REPLACEMENT AT COMPANY'S OPTION. IN NO EVENT WILL COMPANY HAVE ANY RESPONSIBILITY OR LIABILITY FOR ANY INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OR LOST PROFITS.

5. GENERAL PROVISIONS. (a) Should Company incur any costs and expenses, including attorneys' fees or collection agency fees, to collect any amounts owing by Customer, regardless of whether any lawsuit or court action has been filed by Company, Customer will reimburse Company for such costs. The prevailing party in any litigation between Company and Customer will be entitled to recover its attorney's fees, costs, expert fees, and litigation expenses from the other party. (b) This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California. All rights and remedies of Company hereunder are in addition to Company's other rights, whether existing under the Uniform Commercial Code or otherwise. Any action or proceeding brought to enforce, or which otherwise arises out of or relates to, this Agreement and/or the order, purchase or sale of Products by Customer, must be brought and maintained only in the California Superior Court or United States District Court located in Orange County, California, and Customer consents to jurisdiction and venue in such courts. (c) Whenever possible, each provision of this Agreement must be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement is prohibited or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of this Agreement. These conditions embody the entire agreement of the parties hereto and supersede any prior agreement or understanding between the parties with respect to the purchase of Products.