

STANDARD CONDITIONS OF PURCHASE

The terms and conditions set forth below, together with the written information contained in this purchase order, all attachments and exhibits attached hereto and all specifications, drawings, notes, instructions and other written materials and information referred to therein, shall apply to the purchase of the products and/or services described in this purchase order and are incorporated herein and are made a part of this purchase order (collectively referred to herein as "Purchase Order"). This Purchase Order constitutes the entire agreement between Cisco Systems Canada Co., Cisco Systems Co. or Cisco Systems Capital Canada Co. ("Cisco") and Seller with respect to the purchase of the products and/or services described herein and supersedes all prior oral and written communications and agreements relating thereto. If a purchase agreement exists between Seller and Cisco with respect to the products/services covered by this Purchase Order, the terms of such agreement shall prevail over any inconsistent terms herein.

1. ACCEPTANCE.

Seller's acknowledgement of this Purchase Order or commencement of performance hereunder shall constitute Seller's acceptance of all of the terms and conditions herein. Any acceptance by Seller of this Purchase Order is expressly limited to the terms hereof and to the exclusion of all other or additional terms. This Purchase Order shall be controlling over any additional, inconsistent or conflicting terms of any purchase order, confirmation, invoice, acknowledgement, release, acceptance or other inconsistent or conflicting terms of any purchase order, confirmation, invoice, acknowledgement, release, acceptance or other written correspondence, even if accepted in writing by both parties. Except as expressly provided herein, no term or condition of this Purchase Order may be amended or deemed to be waived, except by a writing signed by both parties and clearly understood by both parties to be an amendment or waiver of this Purchase Order. Acceptance of the products or services delivered under this Purchase Order shall not constitute acceptance of Seller's terms and conditions

2. SHIPMENT AND DELIVERY.

2.1 Time is of the essence of this Purchase Order. Seller shall immediately notify Cisco in the event that Seller's timely performance under this Purchase Order is delayed or likely to be delayed, in whole or in part, and Seller shall provide Cisco with all available information regarding the reasons for such delay. Such notice shall not constitute a waiver by Cisco of any Seller's obligations hereunder. If only a portion of the products specified in this Purchase Order is available for shipment to meet the delivery date specified in this Purchase Order ("Delivery Date"), Seller shall, unless Cisco instructs otherwise, (i) ship the available products in time to ensure timely delivery and (ii) ship, at Seller's own costs, the remaining portion of the products as soon as such products become available to Seller.

2.2 Seller shall use diligent efforts to deliver the products and/or services ordered by Cisco no later than the Delivery Date. If, not due to any fault of Cisco, the specified mode of transportation would not permit Seller to meet the Delivery Date, Seller shall ship such products by air freight or other expedient means acceptable to Cisco, and Seller shall pay the cost of freight for such expedited shipment over the cost of the specified mode of transportation. If Seller fails to deliver the products and/or services ordered by Cisco on or before the Delivery Date, then Cisco may terminate this Purchase Order.

2.3 If the products and/or services ordered by Cisco are in excess of the amounts

stated on this Purchase Order or are delivered more than three (3) work days prior to the Delivery Date, Cisco may either reject such products and/or services and return the shipment to Seller or accept the products and/or services pursuant to Section 4 below. Such shipments will be held at Seller's risk and expense including reasonable storage charges while awaiting Seller's shipping instructions. Return shipping charges will be at Seller's expense in accordance with Section 2.4 below. Material for which return shipping instructions are not received within a reasonable time, may be destroyed or sold by Cisco at public or private sale and the proceeds, if any, applied toward storage charges.

2.4 Cisco's return shipment to Seller of any of the following products shall be at Seller's own risk and expense, including, without limitation, transportation and insurance charges: (i) products that do not meet the warranties specified herein; (ii) products which are not accepted by Cisco pursuant to Section 4 below; (iii) products which constitute overshipments or early shipments by Seller and (iv) Seller's shipment to Cisco of all replacement and reworked products to replace nonconforming products (transportation and insurance charges for replacement or reworked products shall include round trip shipment).

2.5 Seller shall preserve, pack, package and handle the products ordered by Cisco so as to protect the products from loss or damage and in accordance with good commercial practice and Cisco's specifications. Seller shall be liable for and shall promptly refund to Cisco the amount of any loss or damage due to Seller's failure to properly preserve, pack, package or handle such products.

2.6 Seller shall include with each shipment of products a packing list which sets forth the number of this Purchase Order, the Cisco part number of each of the products shipped, a description and the quantity of each of the products shipped and the date of shipment. The Purchase Order numbers shall be plainly visible on all invoices, packages, bills of lading and shipping orders provided by Seller. Payment of invoices shall not constitute acceptance of products and shall be subject to adjustment for errors, shortages, defects in the products or other failure of Seller to meet the requirements of the Purchase Order.

2.7 Unless otherwise expressly provided herein, all products delivered to Cisco shall be F.O.B. Cisco's location at the address set forth in this Purchase Order without charge to Cisco for crating or storage. All customs, duties, costs, taxes, insurance premiums and other expenses relating to such transportation and delivery shall be at Seller's sole cost and expense.

2.8 Seller shall not, without Cisco's prior written consent, commence to manufacture or procure any of the products specified in this Purchase Order in advance of Seller's normal lead time for such products. In the absence of Cisco's prior written consent, Cisco shall not be obligated, in the event of termination or a change of this Purchase Order, with respect to any products manufactured or procured in advance of Seller's normal lead time for such products.

3. PRICE.

3.1 Seller represents and warrants to Cisco that the prices for the products and/or services provided hereunder are the lowest prices for which Seller has sold or is selling such products and/or services, taking into account any differences in quantities, schedule and other material terms. Cisco shall be entitled to receive from Seller any price

reduction which Seller makes to others for comparable products or services as of the later of (i) the Delivery Date for the products and/or the date upon which Seller is to begin performing the services hereunder, (ii) the date of actual delivery of the products and/or date upon which Seller commences the services, or (iii) the date an acceptable invoice for the products and/or services is received by Cisco.

3.2 All payments due hereunder to Seller shall be paid to Seller in Canadian dollars not later than thirty (30) days following (i) the Delivery Date, or (ii) the date of Cisco's acceptance of all of the products and/or services hereunder, or (iii) Cisco's receipt of a properly prepared invoice, whichever is later, pursuant to properly prepared invoices accompanied by certifications of conformance of the products to the requirements hereunder, if applicable. Partial payments may be made, if specifically authorized by Seller and in the manner specified in an Exhibit attached hereto. Cisco may at any time set off any amount owed by Cisco to Seller against any amount owed by Seller or any of its affiliated companies to Cisco.

3.3 Seller shall pay, without charge to Cisco, any federal, state, provincial or local tax or other government charge or assessment relating to the production, sale or shipment of any of the products hereunder, unless expressly otherwise provided in an Exhibit attached hereto.

4. INSPECTION / ACCEPTANCE.

4.1 Cisco shall be entitled to inspect, at any time upon prior notice to Seller, Seller's manufacture of the products, including the facilities and equipment used to manufacture the products. No inspection or test made prior to final acceptance shall relieve Seller from responsibility for defects or other failure to meet the requirements of this Purchase Order. Seller shall carefully inspect all products prior to shipment to Cisco.

4.2 Cisco may reject any portion of all of any shipment of products that does not conform to the applicable specifications or descriptions of the products within sixty (60) days of receipt of such products and may return such rejected products to Seller for, at Cisco's sole option, replacement, refund or credit. Cisco's payment to Seller for products prior to Cisco's timely rejection of such products as non-conforming shall not be deemed as acceptance by Cisco.

4.3 Cisco may accept or reject shipments in accordance with its established lot inspection procedures. Where rejection of a shipment is appropriately based on Cisco's normal inspection level, and such rejection endangers Cisco's production schedules by reason of the fact that at least some of the products are necessary to meet such production schedules, then Cisco at its option may charge Seller for the reasonable costs of an above normal level of inspection up to and including 100% inspection of such shipment.

5. CHANGE ORDERS.

5.1 Cisco may, at any time prior to the Delivery Date, by a written order, and without notice to sureties or assignees, suspend its purchase of products or services hereunder or make changes in (i) the quantities of products or the scope of services ordered or the Delivery Date, (ii) applicable drawings, designs, and/or specifications, (iii) the method of shipment or packing, and/or (iv) the place of delivery or the specified location for services to be performed.

5.2 If a change by Cisco under Section 5.1 causes an increase in the cost of or the timing required for Seller's performance under this Purchase Order, and Seller so notifies Cisco promptly in writing, then the price and/or delivery schedule of the products or

services corresponding to such changed portion(s) of this Purchase Order shall be equitably adjusted as mutually agreed upon by both parties, and the parties shall modify this Purchase Order accordingly in writing. Seller shall request such an adjustment no later than twenty (20) days from the date of Seller's receipt of Cisco's notification of change; however, such period may be extended upon Cisco's written approval.

5.3 Nothing in this Section 5 is intended to excuse Seller from performing pursuant to this Purchase Order as changed or amended.

6. WARRANTY.

6.1 Seller warrants to Cisco and its customers for the longer of Seller's normal warranty period or for one (1) year following the date of Cisco's acceptance of the products and/or services that (i) when received by Cisco from Seller, the products shall be free from defects in design, material, workmanship and manufacture, (ii) the products and/or services will conform to the documentation therefor and to the applicable specifications, drawings, samples, or to other descriptions set forth in this Purchase Order, (iii) the services will be performed in a professional and workmanlike manner, (iv) the products and/or services will be suitable for the purposes for which the products and/or services are intended if such purposes were made known to Seller (v) Seller has good, unencumbered title to the products and has conveyed such good, unencumbered title to Cisco, and (vi) all products are new and unused, unless otherwise specified by Cisco. The foregoing warranties are in addition to all other warranties and conditions, whether express or implied, including without limitation the implied warranties and conditions of merchantable quality and fitness for purpose, and will survive delivery, inspection, acceptance, or payment by Cisco.

6.2 If any of the products or services delivered by Seller do not meet the warranties or conditions specified herein or otherwise applicable, Cisco may, at its option, (i) require Seller to correct any defective or non-conforming products or services, as applicable, by repair or replacement at no charge to Cisco, or (ii) return such defective or non-conforming products to Seller at Seller's expense and recover from Seller all amounts paid therefor, (iii) correct the defective or non-conforming products or services itself, as applicable, and charge Seller the cost of such correction, (iv) obtain a refund from Seller for all amounts paid for any defective or non-conforming services or (v) utilize the defective product or service and require an appropriate reduction in price. The foregoing remedies are in addition to all other remedies at law or in equity or under this Purchase Order, for damages or otherwise, and shall not be deemed to be exclusive. All warranties and conditions shall run to Cisco and to its customers.

6.3 Seller represents and warrants to Cisco that the product and all information systems, data and software necessary to perform the services hereunder shall (i) handle date information before, during, and after January 1, 2000, including but not limited to accepting date input, providing date output, and performing calculations on dates or portions of dates, (ii) function accurately and without interruption before, during, and after January 1, 2000, without any change in operations associated with the advent of a new century, (iii) respond to two-digit year-date input in a way that resolves the ambiguity as to century in a disclosed, defined, and predetermined manner, (iv) store and provide output of date information in ways that are unambiguous as to century, and (v) when used in combination with other year 2000 compliant products, shall accurately process date/time. In addition to the remedies set forth in Section 6.2 above, Seller shall

be liable for all direct or indirect damages that Cisco may incur as a result of Seller's breach of this warranty.

6.4 Cisco's approval of the Seller's product or design shall not relieve Seller of the warranties or conditions set forth in this Section 6, nor shall waiver by Cisco of a requirement pertaining to any drawing or specification for one or more of the products constitute a waiver of such requirements for the remaining products to be delivered hereunder unless so stated by Cisco in writing. The provisions of this Section 6 shall not limit or affect the rights of Cisco under Section 4 hereof, "INSPECTION / ACCEPTANCE."

7. ASSIGNMENTS.

No right or obligation under this Purchase Order (including the right to receive monies due) may be assigned by Seller, nor any obligation sub-contracted by Seller, without the prior written consent of Cisco, and any purported assignment or sub-contract without such consent shall be void and such action by Seller shall permit Cisco to terminate this Purchase Order for cause, in whole or in part, at Cisco's election.

8. TERMINATION FOR CONVENIENCE.

8.1 Cisco may terminate this Purchase Order, in whole or in part, at any time, by written, telephone, facsimile or email notice to Seller.

8.2 Upon such termination, Seller will, to the extent and at the times specified by Cisco, stop all work under this Purchase Order, place no further orders for materials to complete such work, if requested by Cisco assign to Cisco all of Seller's rights, title and interests under terminated subcontracts and orders, settle all claims thereunder (after obtaining Cisco's prior written approval), protect all property in which Cisco has or may acquire an interest, and transfer title and make delivery to Cisco of all articles, materials, work in process, and other things held or acquired by Seller in connection with the terminated portion of this Purchase Order. Seller will proceed promptly to comply with Cisco's instructions respecting each of the foregoing without awaiting settlement or payment of any termination claim it may have against Cisco (as described in Section 8.3 below).

8.3 Within six (6) months after such termination, Seller may submit to Cisco its written claim for termination charges, in the form and with the certifications prescribed by Cisco. Failure to submit such claim within such six (6) month period will constitute Seller's waiver of all claims against Cisco and a release of all of Cisco's liability arising out of the termination.

8.4 The parties may, after conferring with each other in good faith, agree upon the amount to be paid by Cisco to Seller for such termination. Absent such agreement, Cisco will pay Seller (subject to set off against amounts owed by Seller or any of its affiliated companies to Cisco) the following amounts: (i) the price set forth in this Purchase Order for all products completed or services rendered in accordance with this Purchase Order to the extent not previously paid for; (ii) the actual reasonable costs incurred and paid by Seller which are properly allocable under recognized commercial accounting practices to the terminated portion of this Purchase Order, plus a fair and reasonable profit on such costs unless Seller would have sustained a loss on the Purchase Order, in which case no profit will be allowed and an adjustment will be made reducing the amount to be paid by Cisco by the projected amount of such loss; and (iii) the reasonable actual costs incurred and paid by Seller in making settlement hereunder and in protecting property in which

Cisco has or may acquire an interest.

8.5 Payments made under Sections 8.3 and 8.4(i) and (ii) above shall not exceed the aggregate price of the products or services specified in terminated portion of this Purchase Order less payments otherwise made or to be made by Cisco. Any amounts payable to Seller by Cisco under this Section 8 shall exclude amounts payable to Cisco by Seller due to property that is lost, damaged, stolen, or destroyed.

8.6 Except to the extent expressly provided to the contrary herein, the following provisions shall survive termination of this Purchase Order: 3.3, 4, 6, 8, 9, 10, 11, 12, 14, 15, 16, 17 and 18.

9. CHEMICAL SUBSTANCES.

Seller represents and warrants to Cisco that no product supplied under this Purchase Order contains or includes components containing PCB (polychlorinated biphenyls) chemical substances. Seller further represents and warrants to Cisco that no product or component thereof supplied under this Purchase Order is manufactured using a cadmium plating process or contains a chemical substance or mixture that is or becomes subject to a reporting requirement under Section 8(e) of the Toxic Substances Control Act, 15 U.S.C. Section 2607 (e), as in effect at time of shipment, assuming such legislation was applicable.

10. CONFIDENTIAL INFORMATION.

Seller agrees that any data, designs, specifications and all other business, product, technical and financial information it obtains from Cisco are the confidential property of Cisco ("Confidential Information.") Except as expressly and unambiguously allowed herein, Seller will hold in confidence and not use or disclose any Confidential Information without Cisco's prior written consent and shall similarly bind its employees, consultants and subcontractors in writing. Seller shall not disclose any Confidential Information to any person or entity other than those employees, consultants or subcontractors of Seller who have a legitimate need to know. Seller's nondisclosure obligation hereunder shall not apply to information it can document is generally available to the public or was rightfully disclosed to Seller by a third party without restriction. Upon Cisco's request, or upon termination of this Purchase Order, Seller shall promptly return all Confidential Information and any copies thereof to Cisco.

11. INDEMNIFICATION.

11.1 Seller shall indemnify, defend and hold Cisco and its officers, directors, agents, employees, successors and customers harmless against any and all claims, liabilities, losses, damages, settlements, costs and expenses (including attorneys' fees) made against or sustained by Cisco arising from the death of or bodily injury to any person or damage to property on account of any alleged or actual defect in any products provided hereunder, whether latent or patent, including, without limitation, improper construction or design, or failure to warn or caused by the negligence or willful misconduct of Seller or any subcontractor, agent, employee or consultant of Seller.

11.2 Seller represents and warrants to Cisco that there are no claims or liabilities for royalties, liens or any other encumbrances on the products supplied hereunder, and Seller shall indemnify, defend and hold Cisco and its officers, directors, agents, employees, successors and customers harmless against any such claims and liabilities.

11.3 Seller shall indemnify, defend and hold Cisco and its officers, directors, agents, employees, successors and customers harmless from any and all claims, liabilities, loss,

costs, expenses (including attorney's fees), settlements or damages arising out of infringement of any patent, trademark, copyright, or misappropriation of any trade secret, or infringement of any other intellectual property right in respect of the products and services provided under this Purchase Order. If Cisco's use of any of the products or services is enjoined or, in Cisco's reasonable opinion, is likely to be enjoined as result of any such infringement or alleged infringement, Seller agrees, at Cisco's option to (i) accept return of the products from Cisco and refund to Cisco the amounts paid by Cisco with respect to such products or services, or (ii) modify the products or services so that they become non-infringing but equivalent in functionality, quality, compatibility and performance, or (iii) procure for Cisco and its customers the right to continue using and distributing the products or services. The foregoing obligation of Seller does not apply with respect to any product (a) made in accordance to Cisco's specifications, if the alleged infringement would not have occurred but for such specifications or (b) which are modified after shipment by Cisco, if the alleged infringement would not have occurred but for such modification.

12. LIMITATION OF LIABILITY AND CONSEQUENTIAL DAMAGES WAIVER.

NOTWITHSTANDING ANYTHING ELSE IN THIS PURCHASE ORDER OR OTHERWISE, CISCO WILL NOT BE LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS PURCHASE ORDER UNDER ANY CONTRACT, TORT, NEGLIGENCE (INCLUDING GROSS NEGLIGENCE), STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR (I) ANY INCIDENTAL, PUNITIVE, EXEMPLARY, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOST DATA OR LOST PROFITS OR LOST REVENUES OR LOSS OF GOODWILL , (II) ANY AMOUNTS IN EXCESS IN THE AGGREGATE OF THE FEES PAID BY CISCO HEREUNDER DURING THE TWELVE (12) MONTH PERIOD PRIOR TO THE DATE THE CAUSE OF ACTION AROSE, OR (III) ANY MATTER BEYOND CISCO'S REASONABLE CONTROL.

13. WORK DONE AT CISCO'S FACILITIES.

Seller shall take such steps as may be reasonably necessary to prevent personal injury or property damage during any work hereunder that may be performed by any employees, agents or subcontractors of the Seller at Cisco's facilities, and the Seller shall indemnify and hold harmless Cisco from and against all loss, liability, and damages arising from or caused directly or indirectly by any act or omission of such agents, employees, or subcontractors of the Seller, and Seller shall secure and maintain such insurance against public liability and property damage and such employee's liability and compensation insurance as will protect Cisco against the aforementioned risks and against any claims under any Worker's Compensation and Occupational Disease Acts.

14. COMPLIANCE WITH LAWS.

Seller warrants that in performance of all work under this Purchase Order, Seller and its consultants and subcontractors have complied with or will comply with all applicable federal, state, provincial, local and foreign laws and ordinances including, but not limited to all export laws, restrictions and regulations of the Export and Import Controls Bureau of the Federal Department of Foreign Affairs and International Trade and the US Department of Commerce or other United States or foreign agency or authority, including without limitation all occupational health and safety, employment standards, and

workplace safety and insurance board or workers' compensation laws, the Occupational Safety and Health Act of 1970 (29 U.S.C. Sections 651, 678), the Fair Labor Standards Act of 1938 (29 U.S.C. Sections 201-219), the Work Hours and Safety Act of 1962 (40 U.S.C. Sections 327, 333), the Equal Employment Opportunity Act (42 U.S.C. Sections 2000e, et seq.), Equal Opportunity Clauses of Executive Order 11246, (60-1.4), section 503 of the Rehabilitation Act of 1973, (60-741.5), and section 402 of the Vietnam Era Veterans Readjustment Act of 1974, (60-250.4), as well as any other regulations pertaining to these orders and federal regulations governing affirmative action programs and all laws restricting the use of convict labor. Seller warrants that in performance of work under this Purchase Order, Seller and its consultants and subcontractors have complied with all laws, regulations, statutes and ordinances of all governmental entities including local, state, provincial, federal and foreign, now or hereafter enacted, which regulate any material because it is radioactive, toxic, hazardous or otherwise a danger to health, reproduction or the environment including, but not limited to, the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. Sections 9601,9615, 9631-9633, 9641, 9651 9657), the Resource Conservation Recovery Act of 1976, the Federal Water Pollution Control Act (33 U.S.C. Sections 1251, et seq.), the Clean Air Act (42 U.S.C. Sections 7401, et seq.), the Montreal Protocol on Substances that Deplete the Ozone Layer (42 U.S.C. Sections 7671, 7642), the Toxic Substances Control Act (15 U.S.C. Sections 2601, et seq.) and similar laws, rules, statutes, treaties or orders and international understandings. Seller further agrees to comply with all applicable laws regarding requirements for small business and small disadvantaged business and women-owned small business concerns where applicable. Upon request, Seller agrees to issue certificates certifying compliance with any laws or regulations as may be applicable to the material, products or services furnished hereunder.

15. APPLICABLE LAW.

This Purchase Order and any contracts or agreements resulting from the coissuance and acceptance of this Purchase Order shall be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without regard to conflict of laws provisions thereof and the parties expressly exclude the application of the United Nations Convention on Contracts for the International Sale of Goods. The exclusive jurisdiction and venue of any action relating to this Purchase Order shall be the Courts of the Province of Ontario and each of the parties hereto submits itself to the exclusive jurisdiction and venue of such courts for the purpose of any such action. The rights and remedies herein provided are in addition to those available to either party at law or in equity. In any action or proceeding to enforce rights under this Purchase Order, the prevailing party shall be entitled to recover costs and attorneys' fees. Notwithstanding the foregoing, Cisco may bring legal actions in any jurisdiction where required for the protection of its confidential information and intellectual property rights and in such circumstances Cisco may seek injunctive relief without the requirement of posting a bond or other security.

16. GRATUITIES.

Seller represents and warrants to Cisco that Seller has not offered or given and will not offer or give any employee, agent, or representative of Cisco or any government any gratuity with the intent of securing any business from Cisco or favorable treatment under any agreement with Cisco. Any breach of this warranty shall be a material breach of the

terms and conditions of each and every Purchase Order between Cisco and Seller.

17. MISCELLANEOUS.

Any notice, approval or consent required or permitted hereunder shall be in writing and will be deemed to have been duly given if mailed by registered or certified mail, postage prepaid, or delivered by overnight courier service with tracking capabilities to the respective addresses of the parties as set forth in this Purchase Order (or such other addresses a party may designate by ten (10) days prior written notice). If any provision of this Purchase Order shall be adjudged by any court of competent jurisdiction to be unenforceable or invalid, that provision shall be limited or eliminated to the minimum extent necessary so that this Purchase Order shall otherwise remain in full force and effect and enforceable. Any failure by a party to enforce any provision herein or right or remedy available to it on any one occasion shall not be construed as a waiver on any other occasion. . Headings included herein are for convenience only and shall not be used to interpret or construe this Purchase Order. The relationship of Seller and Cisco is that of independent contractor.

18. LANGUAGE CLAUSE.

The parties hereto expressly require that this agreement and all documents related thereto be drawn up in the English language only. Les parties aux présentes exigent expressément que cette convention ainsi que tout document y afférent soient rédigés en langue anglaise seulement.