

QAI LISTING AGREEMENT

This agreement does not constitute permission to label products with the QAI logo. Permission to label products with the QAI logo is only provided by means of a listing letter signed by the president or the presidents designate. The QAI listing agreement outlines the terms of the listing and the obligations of QAI and the Listee.

THIS AGREEMENT made this ____ day of _____, 20 ____.

BETWEEN:

QUALITY AUDITING INSTITUTE LTD. a company incorporated under the laws of the Province of British Columbia and having an office at 2825 Murray Street, Port Moody, BC, V3H 1X3.

("QAI")

OF THE FIRST PART

AND

("Listee")

OF THE SECOND PART

WHEREAS:

- A. QAI provides listing and other services for various products, constructions, assemblies, designs, facilities and companies ("Products") to determine if these Products meet established standards used by QAI;
- B. QAI allows for the use of its registered listing mark on these; and
- C. The Listee has applied to QAI for a listing of its Products described in the attached schedule and for the right to use labels or other designated listing marks ("Marks") on these Products.

NOW THEREFORE in consideration of their mutual obligations, the parties agree as follows:

- 1. QAI agrees as follows:
 - (a) to carry out an initial inspection of the Products by documenting materials and methods of construction of Listee and to assess the Listee's capabilities relevant to maintaining minimum acceptable levels of quality for the applicable established standards for the Products;
 - (b) upon the Listee's request and successful completion of the inspection by QAI, to provide approval to the Listee to produce labels or other means to display QAI's logo and to allow the Listee to attach the QAI logo to the Products;
 - (c) to notify Listee of any deviation or variance in the Products from the requirements used by QAI;
 - (d) to treat all information related to Listee's plant, facilities and manufacturing procedures as strictly confidential, unless authorized by the Listee.
 - (e) to make available upon Listee's request, procedures in the event of a requirement for corrective action or in the event of an appeal, dispute, or complaint proceeding.

2. The Listee agrees as follows:
 - a) to always comply with the relevant provisions of the certification program and this agreement
 - b) to provide QAI with all relevant specifications or other appropriate documentation related to its Products. QAI shall be the sole judge of what documentation is relevant. Any changes in required documentation shall require the prior written approval of QAI;
 - c) to use and display QAI's logo as approved by QAI. Labels shall be printed to QAI's specifications by QAI approved printers;
 - d) to designate a responsible person or persons to control security with respect to Labels or Marks and maintain records of each of the Products to which the Labels or Marks have been affixed and to provide QAI with access to these records during normal business hours;
 - e) that its equipment, plant, facilities and procedures shall conform with the requirements of the relevant Factory Audit Manual and Quality Manuals, or as otherwise may be specified in writing from time to time by QAI;
 - f) to provide unhindered plant access to QAI representatives and representatives of applicable accreditation organisations during normal business hours;
 - g) to furnish samples of the Products as may be required by QAI for follow-up inspections;
 - h) to make claims regarding certification only in respect of the scope for which certification has been granted.
 - i) that Labels or Marks shall be affixed only to the Products which have been evaluated by QAI and qualified for listing. Any other use of the Quality Auditing Institute Ltd. name or listing mark, will require the prior approval of QAI;
 - j) that Labels or Marks shall be applied to the Products at the place of manufacture by Listee unless otherwise approved in writing by QAI;
 - k) that where Regulatory Authorities request specific listing or evaluation reports and other data, Listee will not unreasonably withhold consent to QAI to release such information;
 - l) that title to and right of control of Labels or Marks shall be vested in QAI until properly applied to the Products in accordance with this Agreement, and that QAI has granted to Listee a non-exclusive License to use its listing mark in accordance with this Agreement;
 - m) to pay to QAI a fee stipulated in a separate document and revised from time to time;
 - n) that any deviation or variance in its Products from the standards used by QAI shall allow QAI at its option and, if necessary, at Listee's expense, to initiate action as it considers necessary, including but not limited to, withdrawal of the supply of Labels, removal of Labels or Marks from non-confirming products, removal of Listee's Products from the published Listings and notification of regulatory bodies, authorities having jurisdiction and other concerned parties;
 - o) upon termination of this Agreement for any reason, including suspension or cancellation of the listing,

- the listee will return all Labels or Marks in its possession to QAI and will provide to QAI, or dispose of to the satisfaction of QAI, any stamps or dies that indicate QAI listing;
- p) upon termination of this Agreement for any reason, including suspension or cancellation of the listing, QAI will be entitled to de-list the Products;
 - q) that QAI carrying out its obligations does not assume or undertake any responsibility of the Listee to any other party, and that QAI makes no warranty or guarantee, either expressed or implied, concerning Listee's Products;
 - r) that if the services provided by QAI pursuant to this Agreement give rise to the need for the preparation or the attendance of any employee or agent of QAI in any legal, arbitration or similar procedure in any jurisdiction, the time spent by that employee or agent, including travelling time, shall be billed to Listee at the usual fee scale for that employee or agent; all related disbursements shall be billed at cost;
 - s) Listee agrees to indemnify QAI against any liability, loss or damage from claims, demands, costs (including legal fees) or judgements incurred by any of them arising out of any of the Products or the right to use or use of such Labels or Marks in connection with the Products whether authorized or unauthorized;
 - t) notwithstanding paragraph 2(o), the maximum aggregate liability of QAI in any way arising out of services provided in connection with this Agreement, in contract or tort, including negligence, strict liability or on any other basis, shall not exceed the latest annual fee paid to QAI under this Agreement;
 - u) that QAI will not under any circumstances be liable, in contract or in tort, including negligence, strict liability or on any other basis, for loss of capital, loss of profit or loss of product or third party claims or for any indirect, special or consequential damages arising out of services provided in connection with this Agreement;
 - v) QAI makes no representation or warranty that any particular regulatory body, authority having jurisdiction or other concerned party will recognize or accept QAI Listing, therefore, the relevant authorities should be consulted by Listee before sale, distribution or installation of the Products;
 - w) that for the purpose of subsections (o), (p) and (q), QAI is acting for itself and on behalf of its present and former directors, officers, employees and agents;
 - x) to inform QAI about any changes such as intended modification of the product, manufacturing process or, if relevant, its quality system, which affect the conformity of the product.
 - y) to keep a record of all complaints make known to itself relating to a product's compliance with requirements of the relevant standard and to make these records available to QAI when requested;
 - z) to take appropriate action with respect to any complaints or deficiencies found in products or services that effect compliance with the requirements for listing;
 - aa) to report any situation where a product bearing the QAI listing mark could lead to a potential hazard;
 - bb) endeavour to ensure that no certificate or report nor any part thereof is used in a misleading manner.
 - cc) to meet the certification bodies requirements when referencing its product listing in communication

- media such as brochures, documents or advertisements.
- dd) to use QAI listing only to indicate that products which are listed, conform to specified standards.
3. All reports prepared by QAI are confidential and for the exclusive use of the Listee. The use in whole or in part of these reports for purposes other than those originally intended shall require the prior written approval of QAI.
4. This Agreement may be terminated by the Listee upon one month's notice in writing to QAI.
5. This Agreement may be terminated upon the earlier of the following:
- (a) immediately upon notice in writing by QAI if the Listee fails to comply with any of the provisions of this Agreement, or if field experience or the results of inspection made by QAI on samples of the Products either furnished by the Listee or purchased by QAI on the open market shows that the Products in the opinion of QAI do not meet the requirements of QAI;
 - (b) upon one month's prior notice in writing to Listee by QAI if the standards used in the current listing program are revised or superseded in such manner as to require further investigation or testing of the Products by QAI and the Listee does not comply with the revised requirements;
 - (c) upon non-payment within 60 days of the full amount of any invoices rendered to the Listee by QAI.
6. The provisions of Section 2 (j), (l), (m), (n), (p), (q), (r) and (s) will survive the termination of this Agreement.
7. The address of each of the parties for the purpose of notices under this Agreement is as follows:
- (a) QUALITY AUDITING INSTITUTE LTD.
2825 Murray Street
Port Moody, B.C.
V3H 1X3
Attention: Lawrence Gibson, President
 - (b)

Either party may, by written notice to the other, change its designated address.

8. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties.

9. No amendment or modification of this Agreement, including the Endorsement, shall be binding unless in writing and signed by an authorized representative of each of the parties.
10. This Agreement shall ensure to the benefit of and shall be binding upon the parties and their successors and assigns.
11. This Agreement will be interpreted in accordance with and governed by the laws of British Columbia.

IN WITNESS WHEREOF QAI and the Listee have executed this Agreement as of the day and year first above written.

SUBSCRIBER

QUALITY AUDITING INSTITUTE LTD.

Name:

Title:

Telephone:

Date:

Signature

Signature