



**CRIMSON TRACE CORPORATION
Export Controls Compliance Release and Indemnity**

This Export Controls Compliance Release and Indemnity (this "Agreement") is entered into and effective between CRIMSON TRACE CORPORATION ("CTC") and Recipient below as of _____, 2012, who individually shall be called a "Party," or collectively shall be called the "Parties."

Purpose - Recipient acknowledges and agrees that any product containing an Infrared Diode sold by CTC to Recipient ("IR Products) may include technology and/or components that are subject to the customs and export control laws and regulations of the U.S. and may also be subject to the customs and export laws and regulations of the country in which the IR Products are manufactured or are received. You further acknowledge and agree that in connection with any use, resale, reexport, or transfer of any kind under any circumstances of the IR Products (in whole or in part regarding any parts, components, or technology) under or outside the scope of this Agreement within the U.S. or internationally, Recipient acknowledges and agrees that it is solely responsible to comply with those laws and regulations and must obtain the approvals of all applicable U.S. Government agencies with jurisdiction over such use, transfers or reexports. Recipient further acknowledges and understands that impermissible exports may involve transfer of commodities or technology outside the U.S. as well as transfer of commodities or technology to foreign citizens located inside the U.S. Recipient acknowledges and understands that all U.S. export control and customs laws, regulations, and restrictions (as amended from time to time in the sole discretion of the U.S. Government) shall continue to apply indefinitely to the IR Products and all end users.

The use, resale, reexport, or transfer outside of the U.S. of any IR Products prohibited or restricted for export without complying with U.S. export control laws and regulations, including proper export licensing, documentation or authorization, is strictly prohibited and may result in civil penalties and/or constitute a federal crime. CTC shall not engage in any transaction that requires the illegal export of any IR Products and will not assist directly or indirectly with the illegal export or re-export of any such products.

Authority - The applicable U.S. Government agencies potentially affecting Recipient's use, transport, may include the U.S. Department of State Directorate of Defense Trade Controls (through the International Traffic In Arms Regulations, 22 C.F.R. §§120-130) , the U.S. Department of Commerce Bureau of Industry and Security (through the Export Administration Regulations, 15 C.F.R. §§ 730-774) , the U.S. Department of the Treasury Office of Foreign Assets Control (through the OFAC Regulations), and the U.S. Federal Food and Drug Administration (through its regulations). Recipient hereby agrees that it is its sole responsibility to read, understand, and comply with all applicable export laws and regulations, including if required, to apply for and obtain a license or other approval from the appropriate U.S. and/or foreign governmental agency.

Release and Indemnification - Therefore, Recipient agrees to release CTC from any past and future liability to Recipient, as well as to indemnify, defend and hold CTC harmless in connection with any and all costs, expenses, claims, and liability of any kind or amount incurred by CTC in respect of any claim by Recipient or third parties arising in connection with any act or omission, negligence, or reckless disregard by Recipient, its officers, directors, employees, parent or affiliates, subsidiaries, subcontractors, consultants, and agents of the following: (i) violations of the terms and conditions of this Agreement, (ii) all U.S. and applicable foreign export control laws and regulations (and future changes in such laws and regulations) concerning CTC's IR Products, and (iii) any other laws and regulations, including personal injury and death or property damage to anyone.

No Consequential Liability - Neither Party shall be liable to the other for any indirect, special or consequential losses or damages, including but not limited to, loss of anticipated revenue, profits and interest charges, costs of substitute goods and services, and both Parties waive all claims of this nature against the other.

Governing Law - This Agreement shall be interpreted and governed by the laws of the State of Oregon, to the exclusion of any conflicts of law considerations. Any dispute arising in connection with this Agreement or the activities hereunder shall be finally resolved in the federal or state courts of Multnomah County, Oregon U.S.A. The



provisions of this Agreement and any order or resolution may be enforced by any Court of competent jurisdiction, and the prevailing Party of any legal proceeding shall be entitled to an award of all costs, fees and expenses, including attorneys' fees, to be paid by the Party against whom enforcement is ordered.

Third Party Claims - In the event of any third party claims (including the U.S. Government) related to the IR Products (the "Claim") caused by the acts or omissions, negligence, or reckless disregard of Recipient, its officers, directors, employees, parent or affiliates, subsidiaries, subcontractors, consultants, or its agents, Recipient will, upon receipt of the Claim, notify CTC and assume defense of the Claim, and shall be responsible for all liabilities, obligations, losses, costs, expenses, penalties, fines and damages assessed against CTC in a final, non-appealable judgment by a court of law, arbitration or other proceeding, or all amounts paid in settlement of the Claim by either Party to this Agreement, which settlement must be approved by CTC. Recipient shall be responsible for all attorneys' fees and expenses it incurs in defending against the Claim. CTC shall provide all necessary and reasonable assistance to Recipient in defense of the Claim. CTC and Recipient will at all times use reasonable efforts to keep the other Party informed as to the status of the defense of the Claim. If Recipient has assumed the defense of the Claim, CTC will have a right to participate in such defense and to retain its own counsel, provided such continued participation does not materially impair Recipient's defense of the Claim. At any time more than thirty (30) days after the Claim has been received by Recipient during which Recipient has failed to assume the defense of the Claim, CTC may employ counsel to represent it in its defense of the Claim and Recipient will pay the reasonable fees and disbursements of such counsel until such time as Recipient assumes the defense. In addition, if it is determined that Recipient did not provide a reasonable defense of the Claim, Recipient will also reimburse CTC for any attorneys' fees and costs of investigation it incurred to assume the defense due to Recipient's inaction.

Notices - All notices, consents, waivers, and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by telefax (with written confirmation of receipt), provided that a copy is mailed by registered mail, return receipt requested, or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses and telefax numbers set forth below.

Integration - This Agreement, and any attachments, if any, represents the entire agreement and understanding of the Parties with respect to the subject matter hereof, and this Agreement supersedes and replaces any prior oral or written agreement, understandings, discussions or promises related to the subject matter hereof.

No Assignment - Recipient may not assign, sell, or otherwise transfer any or all rights and obligations under this Agreement to any third party without the prior written consent of CTC.

Severability - In the event of the invalidity of any provision of this Agreement, the Parties agree that such invalidity shall not affect the validity of the remaining portions of this Agreement.



Intending to be legally bound, the Parties have caused this Agreement to be signed by their duly authorized representatives below.

<p>CRIMSON TRACE CORPORATION</p> <p><i>Signature</i> _____</p> <p>Address:</p> <p>9780 SW Freeman Drive</p> <p>Wilsonville, Oregon 97070 U.S.A.</p> <p>Phone: 800-442-2406</p> <p>Fax: 503-783-5334</p> <p>Email: customer@crimsontrace.com</p> <p>Date: _____</p>	<p><i>Print</i> _____ [RECIPIENT]</p> <p><i>Signature</i> _____</p> <p>Address: _____</p> <p>_____</p> <p>_____</p> <p>Phone: _____</p> <p>Fax: _____</p> <p>Email: _____</p> <p>Date: _____</p>
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