

PRODUCT EVALUATION FORM

Date: _____

(The effective date) by and between:

Dbas: Crystal HDV Communications (0846336 B.C.Ltd)

Crystal HDV Communications a company organised under the laws of British Columbia, Canada with registered address at, 4888, Pine Crescent, Vancouver, BC V6J 4L3 (Hereinafter known as "CrystalHDV")

COMPANY NAME: _____

ADDRESS: _____

COMPANY NUMBER: _____

**(Hereinafter known as "Partner"
and
(Hereinafter singularly, the "Party" and collectively the "Parties")**

WHEREAS. This PEF confirms the 'Parties' commitment to conduct evaluation testing to conclude a full interoperability test with the 'Partners' Service or distribution requirements, with a commitment to enter into a commercial agreement to purchase products and services from "CrystalHDV".

WHEREAS. This PEF confirms the intent to proceed however this document is subject to a final definitive agreement. The Parties anticipate that certain confidential and proprietary information concerning their respective business and /or other contracts and other financial status may be disclosed or exchanged. And

WHEREAS. The purpose of this PEF is to convey the "Parties" intent in concluding final and definitive product purchase agreement.

I. Intent

- 1) The 'Parties' understands the principals in Annexure and core aims.

II. Confidentiality Agreement

The Parties agree for themselves, their officers, employees, representatives and agents (collectively referred to herein as "Agents"), to maintain the confidential and proprietary nature of the information being disclosed or exchanged, that is confidential or of a proprietary nature, including but not limited to information regarding product pricing, operations, business opportunities and future developments, financial condition, plans, specifications, network designs and operations, suppliers, cost saving techniques, niche markets, sales and marketing programs, customers, employees and other such information relating to the parties respective businesses ("Confidential information"). Such confidential information may also include information developed by a non-party, which a Party

may disclose so long as the confidentiality of such information is maintained.

- 1) The Parties and their respective Agents shall use the confidential information solely for the purposes set forth herein and shall not at any time, whether during discussions or for a period of two (2) years following the termination of such discussions, regardless of whether the discussions result in a business relationship, without the prior written consent of the disclosing Party directly or indirectly, disseminate, divulge, disclose to any person or entity or copy, for any purpose whatsoever or use for any purpose not covered by the agreement, any of the confidential information, which has been obtained by or disclosed to the Parties.
- 2) Prior to the disclosure of any confidential information to a third party, the disclosing Party shall notify the other Party of its intent to disclose the Confidential Information, and the identity of the third party. Upon receipt of a written request from the disclosing Party, the receiving Party or Parties shall promptly return, or cause the return, of all written or electronic confidential information to the disclosing Party.

III. Non-Circumvention

Each Party agrees not to circumvent the other in any 3rd party vendor or client relationship one may have, and agrees to protect the confidentiality of the information disclosed by the other in all and future dealings. Full disclosure of the identity of a vendor party or client introduced by one Party to the other shall be made,

IV. Other

- 1) Article II and Article III of this PEF shall survive the termination and continue for two (2) years from the Effective date of this PEF.
- 2) The Parties warrant to each other that they have full power and authority to execute this PEF for and on behalf of themselves and/or their respective companies.
- 3) This PEF shall be governed by and construed and enforced in accordance with the laws of the Canada.

IN WITNESS WHEREOF, the Parties have duly executed this PEF as of the day and year indicated above.

Partner
Signature: _____

By:

Name: _____

Position: _____

"Crystal HDV" _____
Authorized Signature

By:

James Ward
CEO

EVALUATION AGREEMENT

Crystal HDV Communications., together with its affiliates and subsidiaries (collectively “CrystalHDV”), wishes to provide Evaluating Company with the following hardware/software products including any related documentation for a maximum of 45 days:

Product Code	Product	Units	Unit Cost	Total Cost
CHDV 40	CrystalHDV40 IP Phone		\$ 216.00	
CHDV 30	CrystalHDV30 IP Phone		\$ 189.00	
CHDV 20	CrystalHDV20 IP Phone		\$ 153.00	
CHDV 10	CrystalHDV10 IP Phone		\$ 104.00	
CVT3020	CrystalHDV – Video IP Phone		Available Nov 09	
CX2	X2 “Crystal HDV” ATA		\$ 63.00	
CX3	X3r “Crystal HDV” Gateway		\$ 79.00	
CX4	X4r “Crystal HDV” IAD		\$ 99.00	
			Subtotal	
			TAX	
			Total	

The hardware/software products are provided to Evaluating Company subject to the following conditions:

All right, title, and interest in and to the hardware/software products remain with “CrystalHDV”.

1.1 The hardware/software products are to be used (in object code form only, in the case of any software or software component) for evaluation [and/or demonstration] purposes only and may not be transferred or sublicensed in any form to any third party nor put into commercial production. With regard to the software, Evaluating Company shall not (a) disclose, copy, rent, lease, disseminate or otherwise distribute the software, by any means or in any form, without the prior written consent of “CrystalHDV” or (b) modify, enhance, supplement, create derivative work from, adapt, translate, reverse engineer, decompile, disassemble or otherwise reduce the software to human readable form.

1.2 The hardware/software products contain substantial trade secrets and may not be used in any manner detrimental to “Crystal HDV” .

1.3 Evaluating Company shall pay a fee of \$ _____ at the beginning of the initial Evaluation Period.

1.4 Within _____ days (the “Evaluation Period”), Evaluating Company shall return the hardware/software products including any related documentation. If not returned within the Evaluation Period, Evaluating Company will be invoiced for the full amount of the hardware/software products as listed above, subject to “Crystal HDV”

Standard Terms and Conditions for the appropriate product line and further subject to the execution of any relevant "CrystalHDV" License Agreement.

1.5 "CrystalHDV" agrees to make available support for Interoperability testing into the Providers or Distributors stated network or service:

Network:

Service:

1.6 The hardware/software products are being provided "as is" and "CrystalHDV" makes no representations or warranties express or implied, with respect to the hardware/software products or any other matter related to this agreement, and expressly disclaims any implied warranties of non-infringement, merchantability or fitness for a particular use. Evaluating Company expressly agrees that, because the hardware/software products are being provided as an accommodation, "CrystalHDV" shall not be subject to any liability, in contract, tort (including negligence) or otherwise, arising out of or in any way related to this agreement. In particular, but without limitation of the foregoing, "CrystalHDV" shall not in any event be liable for any indirect, special, incidental, punitive, exemplary or consequential damages, even if "CrystalHDV" has been advised of the potential for such damages.

1.7 Evaluating Company hereby agrees to indemnify and defend "CrystalHDV" and hold it harmless from and against any claims of third parties arising out of (a) Evaluating Company's use of the hardware/software products and other activities under or related to this Agreement, and (b) any third party's use of the hardware/software products.

1.8 This agreement is made under and shall be construed in accordance with the laws of British Columbia, Canada. For the convenience of the parties, this Agreement may be executed by facsimile and in counterparts, each of which shall be deemed to be an original and both of which, taken together, shall constitute one agreement binding on both parties.

Evaluating Partner

By:

Name
Position

"CrystalHDV"

By:

James Ward
CEO