



STANDARD TERMS AND CONDITIONS OF QUOTATION AND SALE

1. Acceptance These Terms and Conditions govern the sale and provision of equipment, products, materials, spare parts, wear parts, and any other items manufactured, assembled, or supplied by the Seller, including associated engineering services, consultancy services, and any other work defined in the Contract (collectively, the “Goods”). The Goods covered are those identified in the Seller’s quotation (“Quotation”). Any terms contained in Buyer-issued purchase orders or other documents shall be of no force or effect unless expressly agreed in writing and signed by both parties.

2. Quotations and Prices Quotations remain valid until the expiry date stated therein or, if none is stated, for thirty days from issuance. Prices are exclusive of taxes, duties, levies, and governmental charges, all of which are the Buyer’s responsibility. Payment terms are as specified in the Seller’s order acknowledgment or invoice and are subject to approval by the Seller’s Credit Department.

3. Limited Warranties The Seller warrants good title to the Goods and warrants that Goods manufactured by the Seller will be free from defects in materials and workmanship for one year from delivery, provided the Buyer promptly notifies the Seller of any defect, ceases use immediately, performs no unauthorized repairs, and returns the Goods to a location designated by the Seller. This warranty excludes normal wear, misuse, improper installation, improper handling as described in Clause 23, and site-related damage. THE SELLER DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

4. Buyer Representation and Warranty The Buyer acknowledges it has not relied on any representation or warranty except those expressly set out in the Contract. Marketing materials, illustrations, or descriptions do not form part of the Contract unless expressly incorporated.

5. Limitation of Liability The Seller’s liability is limited to repair, replacement, or credit for defective Goods. IN NO EVENT SHALL THE SELLER BE LIABLE FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES, INCLUDING LOSS OF PROFITS OR BUSINESS. The Seller’s total aggregate liability shall not exceed the purchase price of the specific Goods giving rise to the claim. Obligations under Clause 27 (Recall Responsibilities) are excluded from this limitation.

6. Delivery, Delay, and Remedies Delivery dates are estimates only. The Seller is not liable for delays caused by Force Majeure or events beyond its control. The Buyer’s sole remedy for delay is limited to those expressly stated in these Terms. The Seller shall not be liable for any consequential or indirect damages arising from delay.

7. Delivery and Freight Conditions Unless otherwise stated, delivery is FCA Seller’s point of shipment (Incoterms 2020). The Seller may make partial shipments.

8. Claims and Holdbacks The Seller shall not be liable for any back charges, deductions, or holdbacks unless expressly authorized in writing. Unauthorized deductions are invalid and may not be set off against amounts owed.

9. Force Majeure Neither party is liable for failure or delay caused by events beyond reasonable control, including natural disasters, war, terrorism, labour disputes, pandemics, government actions, supply shortages, transportation disruptions, or equipment failure. If a Force Majeure Event continues for more than thirty days, either party may terminate the Contract without liability except for obligations accrued prior to termination.

10. Buyer's Cancellation The Buyer may not cancel the Agreement without the Seller's written consent. If cancellation is permitted, the Buyer shall pay for completed Goods, work in progress, materials, commitments, and reasonable cancellation costs, plus lost overhead and profit on the uncompleted portion.

11. Seller's Cancellation or Suspension Upon written notice, the Seller may suspend delivery, delay shipment, or terminate the Agreement if the Buyer's account is in arrears or not in good standing. The Seller shall have no liability for such suspension or delay, and performance shall resume only after the Buyer cures the default to the Seller's satisfaction.

12. Terms of Payment Payment terms are as set out in the Seller's commercial documents. The Seller may suspend performance or require advance payment if the Buyer's credit status is unsatisfactory. Overdue amounts accrue interest at 1.5% per month.

13. Design and Standards The Buyer is solely responsible for ensuring the Goods are suitable for their intended use and have been independently reviewed by a qualified engineer. Any design guidance provided by the Seller is for general reference only unless expressly agreed otherwise. Goods are supplied in accordance with the Seller's standard specifications and tolerances unless otherwise agreed in writing.

14. Quality Assurance The Seller shall maintain a quality control program consistent with its standard practices and applicable industry requirements.

15. Inspections and Returns The Buyer must inspect Goods upon receipt and notify the Seller of any defects or shortages within five days. Failure to do so constitutes acceptance. No returns are permitted without written authorization. Standard Goods may be subject to restocking fees; custom Goods are non-returnable.

16. Inspection and Audit Rights The Buyer may inspect Goods during fabrication with reasonable notice, subject to the Seller's safety policies. Inspection does not constitute acceptance. The Buyer may audit quality records related to its Goods, subject to confidentiality.

17. Intellectual Property Rights and Patents The Buyer shall indemnify the Seller against claims arising from Goods manufactured according to the Buyer's designs, drawings, or specifications, including claims of intellectual property infringement.

18. Confidentiality Both parties shall protect confidential information using reasonable care and shall not disclose such information except as required by law. Confidentiality obligations survive termination.

19. Insurance The Buyer shall maintain industry-standard insurance, including general liability and builder's risk, naming the Seller as an additional insured where applicable. The Buyer shall indemnify the Seller for losses arising from installation, handling, or use of the Goods. The Seller maintains commercial general liability, automobile liability, and workers' compensation insurance and will provide certificates upon request.

20. Title and Risk of Loss

Risk of loss transfers to the Buyer upon loading at the Seller's premises unless otherwise specified. Title remains with the Seller until full payment is received.

21. Buyer Responsibilities and Conduct The Buyer shall comply with all applicable laws, maintain safe working conditions, and ensure ethical conduct in its operations. The Buyer shall not engage in bribery, corruption, forced labour, or discriminatory practices. The Seller may suspend deliveries if the Buyer violates this clause.

22. Handling, Storage, and Installation Requirements The Buyer shall store, handle, and install the Goods in accordance with the Seller's instructions and industry standards. Improper handling voids warranties. The Buyer is responsible for site conditions, installation quality, and ensuring the Goods are protected from damage.

23. Software and Cybersecurity Restrictions If the Goods include software or digital components, the Buyer shall implement reasonable cybersecurity measures, protect access credentials, and refrain from reverse engineering or bypassing security controls. The Buyer shall notify the Seller of any security incidents affecting the Seller's systems or data.

24. Buyer-Provided Tooling and Intellectual Property Tooling, designs, or specifications provided by the Buyer remain the Buyer's property. The Buyer warrants that such items do not infringe third-party rights and shall indemnify the Seller for claims arising from Buyer-provided designs, tooling, or instructions.

25. Environmental and Disposal Obligations The Buyer shall comply with environmental laws relating to the use, storage, and disposal of the Goods. The Buyer is responsible for ensuring the Goods are not used in environmentally harmful applications and shall dispose of the Goods in accordance with applicable regulations.

26. Export Controls and Sanctions Compliance The Buyer shall comply with all applicable export control and sanctions laws relating to the resale, transfer, or use of the Goods. The Buyer shall not sell the Goods to restricted parties or prohibited destinations and shall indemnify the Seller for violations.

27. Recall Responsibilities If a recall or field action is required due to Buyer misuse, improper installation, or Buyer-provided specifications, the Buyer shall bear all associated costs. The Buyer shall cooperate fully with the Seller in any recall or corrective action.

28. Severability Invalid provisions shall be modified to the extent necessary to be enforceable; remaining provisions remain in effect.

29. Non-Waiver Failure to enforce any provision does not constitute a waiver of future enforcement.

30. Notice Notices to the Seller must be in writing and are effective upon receipt.

31. Assignment The Buyer may not assign the Agreement without the Seller's written consent. The Seller may assign to affiliates or successors with notice.

32. Headings Headings are for convenience only and do not affect interpretation.

33. Currency Currency is as specified in the Seller's commercial documents.

34. Conflicting Buyer Terms Any Buyer terms that conflict with these Terms are void unless expressly accepted in writing by the Seller.

35. Governing Law and Dispute Resolution This Agreement is governed by the laws of British Columbia and applicable federal laws of Canada. Disputes shall be resolved exclusively in the courts of British Columbia.

36. Entire Agreement These Terms, together with the Quotation and incorporated documents, constitute the entire agreement between the parties.