

Any term or condition of Buyer's order which is in any way additional to or different from these terms and conditions (except additional provisions specifying quantity and shipping or billing instructions) are specifically objected to and shall not be applicable hereto or binding upon Seller. Any specific objection by Buyer to the terms stated herein must be communicated to Seller in writing prior to Seller's approval of a purchase order. Buyer's retention of any goods shall be deemed acceptance of these terms and conditions herein.

1. **ACCEPTANCE** – All price and delivery quotations automatically expire thirty (30) days from the date thereof and in the meantime may be changed or withdrawn at any time. No contract shall be created between Seller and Buyer until a purchase order is approved in writing by Seller.
2. **SHIPPING DATES** – Shipment dates are approximate only and are estimated from the date of receipt of Buyer's order with complete manufacturing information or from the date of approval of drawings, when required. Seller shall not be liable for any loss or damage for delay or non-delivery due to the acts of civil or military authority, acts of Buyer or by reason of any major force, which shall be deemed to mean all other causes whatsoever not reasonably within the control of Seller, including, but not limited to acts of God, war, riot or insurrection, blockades, embargoes, sabotage, epidemics, fires, strikes, labor disputes, lockouts or other industrial disturbances, delays of carriers, and inability to secure materials, labor or manufacturing facilities. Any delay resulting from any such cause shall extend shipping dates correspondingly. Seller shall in no event be liable for any special, indirect or consequential damages arising from delay or non-delivery irrespective of the reason therefore, and receipt by Buyer shall constitute acceptance of goods and waiver of any claims due to delay.
3. **DRAWINGS** – If proposal drawings are submitted with Seller's quotation, they are submitted only to show the general style, arrangement and approximate dimensions of the goods offered. No work is to be based on proposal drawings. Dimensional drawings certified by Seller will be furnished, when required.
4. **TITLE** – Unless otherwise agreed in writing, the items listed on the invoice shall be delivered F.O.B. place of manufacture and title, possession and risk of loss or damage to the items listed on the invoice passes to Buyer upon delivery to the carrier.
5. **FREIGHT** – If Buyer specifies delivery F.O.B. point of destination or F.O.B. point of manufacture with freight allowed, Buyer shall pay to Seller unless otherwise agreed to in writing, in addition to the purchase price, any amount by which transportation charges may be increased, between the dates of the confirmation and time of shipment.
6. **SALES TAXES** – The prices do not include Provincial Sales, Goods & Service, Use, Excise taxes or other taxes of similar kind unless stated. All prices, quotations, contracts, agreements, etc., are subject to increase at any time without notice by the amount of any Federal, Provincial, Municipal or other governmental/agency tax now or hereafter levied or imposed.
7. **PAYMENTS** – Should Buyer order goods on credit, Buyer represents by its act of ordering the same that Buyer is solvent and fully able to pay for the same. Terms for such charges are net 30 days, payable in Canadian currency. If Seller places a delinquent account with an attorney or agency. Buyer shall pay, in addition to the amount collected, Seller's reasonable attorney's fees or agent's fees as the case may be. Pro-rata payments shall be made for partial shipments. If delivery is prevented or performance of work is postponed at Buyer's request, then all date of payment related to delivery shall relate instead to the date of completion of manufacture. Letters of credit or other credit instruments established to provide payments for the goods specified in a proposal shall make provision for payment as set forth above where delivery is prevented or postponed under such circumstances. Storage of such goods will be at Buyer's expense and risk. When, in the opinion of Seller, the financial condition of the buyer renders it appropriate, Seller may require cash payment or satisfactory security before each shipment.
8. **SUSPENSION** – If Seller's performance of the work is delayed for a period of more than six (6) months either by reason of any cause set forth in paragraph 2, above, upon removal of the cause of any such delay, performance shall be resumed, delivery will be rescheduled, and the purchase price shall be subject to any price increase in effect at the time of resumption of performance. If Buyer is unwilling to accept the adjusted price and projected delivery date, he may terminate his order as provided in paragraph 9, below.
9. **TERMINATION** – Buyer may terminate order only upon thirty (30) days written notice to Seller. In such event, Buyer shall pay to Seller reasonable charges, including, but not limited to a quantity price adjustment for any goods delivered, and all other costs incurred and committed, and pro-rated profit thereon.
10. **SALES FOR EXPORT** – In the case of sales for export, all sales shall be subject to all required Governmental licenses and authorizations. Buyer or Seller, whichever is the proper party under the applicable statute or regulation, shall be responsible for procuring (as well as arranging for extension of) such export, import or other licenses or authorizations as may be required. If written notification of the granting or extension of such licenses or authorizations is not received by Seller at least thirty (30) days prior to the scheduled date of shipment (or any partial shipment), the parties shall consult together to arrive at a mutually satisfactory solution to any problems arising from the absence of such licenses or authorizations. In the absence of agreement between the parties, Seller may require sufficient payments from time to time to equal the percentage of completion of the production schedule of the goods. If Buyer fails to comply with the payment terms as charged, Seller may at its option treat any such failure as a termination of the order placed hereunder and Buyer shall thereupon pay to Seller reasonable cancellation charges, as provided in paragraph 9, above.
11. **CHANGES** – Seller reserves the right to change or modify the design and construction of goods of its own design or suppliers design.
12. **WARRANTY – LIMITATION OF REMEDY AND LIABILITY AND WAIVER – THE FOLLOWING IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES WHATSOEVER, EXPRESS, IMPLIED AND STATUTORY, INCLUDING WITHOUT LIMITATION. THE EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS, OR FITNESS OF PURPOSE, AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ARE HEREBY EXCLUDED. THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION OF THE FACE HEREOF.**

Seller, except as otherwise hereinafter provided, warrants goods of its own manufacture against faulty workmanship or the use of defective materials, under normal use and service, and that such goods will conform to mutually agree upon written specifications, drawings, and other descriptions for a period of one year after the date of shipment. Seller warrants that at the time of delivery, Seller has title to the goods free and clear of any and all liens and encumbrances. This warranty is the only warranty made by Seller and can be amended only by a written instrument signed by an officer of Seller.

Buyer's exclusive remedy for breaches of warranty shall be manufacturer's obligation to repair or replace any defective part at the point of manufacture, with buyer assuming all costs of mailing, transportation and installation, and further provided that immediate written notice of the defect has been given to Seller. Except as otherwise provided in this paragraph, in no event shall Seller be liable for any indirect, special, incidental or consequential damages (where denominated in contract, tort, strict liability in tort, negligence or other theories), or for loss of use, lost profits or revenue, interest, lost goodwill, work stoppage, impairment of other goods, increased expenses of operations, or the cost of purchasing replacement services or goods, which otherwise might be recoverable by Buyer pursuant to this Agreement or because of the use of goods provided under this Agreement. In no event shall Seller's total liability exceed face amount of this Agreement.

Buyer hereby warrants and represents that Buyer has knowledge and experience in financial and business matters that enable Buyer to evaluate the merits and risks of a transaction and Buyer is not in a significantly disparate bargaining position and Buyer hereby waives the provisions of the Texas Deceptive Trade Practices-Consumer Protection Act and any like or successor statute in Texas or other states in the U.S.A. or provinces in Canada.

13. **PATENTS** – Seller shall defend any suit or proceeding brought against Buyer insofar as such suit or proceeding is based on a claim that any goods manufactured and supplied by Seller to Buyer infringe any duly issued patent and Seller shall pay all damages and costs finally awarded therein against Buyer, provided that Seller is promptly informed and furnished a copy of each communication, notice, or other action relating to the alleged infringement and is given authority, information, and assistance (at Seller's expense) necessary to defend or settle said suit or proceeding. Seller shall not be obligated to defend or be liable for costs and damages, if infringement arises out of compliance with Buyer's specifications, an addition to or combination with other goods, or a modification of the goods after delivery to Seller, or from use of the goods, or any part thereof, in the practice of a process. Seller may decline to make further shipment of allegedly infringing goods; Seller shall not be liable for any collateral, incidental, or consequential damages arising out of patent infringement. The foregoing states the sole and exclusive liability of Seller for patent infringement and is in lieu of all warranties, expressed or implied, in regard thereto.
14. **MODIFICATION** – Upon acceptance in writing of Buyer's purchase order, the terms stated herein constitute the entire agreement between the parties relating to the sale of the goods described in Seller's attached quotation and no addition to or modification of any provision of the quotation shall be binding upon Seller unless made in writing and signed by a duly authorized representative of Seller.
15. **APPLICABLE LAW** – The validity, performance and construction of any agreement between Buyer and Seller shall be governed by the laws of Ontario.