

These Terms and Conditions of Sales form an integral part of Seller's acknowledgement order and shall constitute the only terms and conditions of the agreement between the parties unless otherwise expressly agreed to by Seller in writing.

1. BUYER'S PURCHASE ORDER – All purchase orders must be accepted by Seller in writing pursuant to an acknowledgement order. Subject to the terms on the front of this acknowledgement order, a contract for the sale of the goods shall be deemed concluded according to these Terms and Conditions of Sales when the Seller's acknowledgement order has been received by the Buyer (the "Order"). Any term or condition in the Buyer's purchase order which is additional to, different from or inconsistent with these Terms and Conditions of Sales shall be of no effect unless expressly agreed to by the Seller in writing.

2. PRICES – All prices and charges, including transportation charges, are subject to change without notice. Should any governing body, either federal and/or provincial/state government bodies, impose tariffs on Seller's goods prior to passing of title of such goods to Buyer, Seller reserves the right to charge, at its discretion, such tariffs to Buyer. Seller's prices and charges shall be those in effect at the time of shipment.

3. TERMS OF PAYMENT – Terms of payment are net 30 days from the date of Seller's invoice. Overdue payment(s) and unpaid amounts shall bear interest at the annual rate of 2% above the prime rate announced by the Royal Bank of Canada, such interest shall be compounded on a monthly basis and shall become due and payable until payment..

4. CREDIT AND SECURITY – Shipments and deliveries shall at all times be subject to the approval by the Seller of the Buyer's credit and the Seller reserves the right, even after partial shipment or partial payment on account of the Order, to require from the Buyer satisfactory security for the due performance of the Buyer's continuing obligations. Upon request of the Seller, the Buyer shall provide such security to the Seller as may be requested from time to time.

5. DELIVERY – Shipping terms are as per the agreed Incoterms on the Seller's invoice. Seller shall exercise its commercially reasonable efforts to deliver within the time quoted but does not guarantee to do so, and shall not be held responsible for breach of contract or any loss or damage caused by the delay in delivery irrespective of the cause of such delay. Buyer shall inspect goods within ten (10) business days after delivery of goods and notify Seller in writing of any defects or any failure of the goods to conform to the requirements of the applicable Order. Except stated otherwise on the Seller's invoice, all claims by Buyer for shortages in a shipment of goods or goods damaged in transit must be made against the carrier. All claims by Buyer against Seller for nonconforming goods and claims for shortages in a shipment or damaged goods (other than claims to be made against the carrier) must be made in writing to Seller within ten (10) business days after receipt of shipment or Buyer shall be deemed to have accepted such goods and any claims for nonconforming goods shall be waived.

6. TITLE, OWNERSHIP AND RISK – Risk of loss to the goods shall pass to the Buyer as per the agreed Incoterms on Seller's invoice. Title of goods shall pass to Buyer upon payment in full of invoice(s) related to the goods.

7. SELLER'S STANDARD PRACTICES AND TOLERANCES – All goods shall be delivered in accordance with the Seller's standard practice and shall be subject to the normal tolerances, variations and limitations in respect of dimension, weight, shape, composition, mechanical properties, structure, quality and service conditions and to deviations from such tolerances consistent with practical testing and inspection methods. Deliveries are also made subject to overruns and underruns not exceeding 10% of the quantity ordered.

8. WARRANTY – Except as stipulated in paragraph 9 hereof, the seller makes no condition, warranty, guarantee or representation, either express or implied, including but not limited to those of

merchantability, quality, fitness or suitability for any particular purpose, whether arising by statute, custom, trade or otherwise. Without prejudice to the foregoing, no statement or undertaking contained in any standard or technical specification as to the suitability of the goods for any purpose shall give rise to any legal liability. The buyer shall satisfy itself that the goods are suitable for any product or application for which they are to be used before the goods are incorporated into such product or application.

9. BUYER'S REMEDIES – If any goods furnished to the Buyer fail to conform to the Order, the Buyer shall give prompt written notification thereof to the Seller, setting forth in reasonable detail the basis of such non-conformity. Such non-conforming goods shall be held for inspection by the Seller and the liability of the Seller in respect thereof shall be limited exclusively to the replacement of such goods, subject to the return of such goods by the Buyer to the Seller or, at the discretion of the Seller, to a return of the invoice price of the goods less the salvage or scrap value thereof. Under no circumstances shall the Seller's liability exceed the price invoiced by the Seller for the goods considered defective.

10. RETURNS – Subject to paragraph 9, the Buyer shall only be entitled to return the goods to the Seller upon the written consent of the Seller.

11. CANCELLATION - Buyer cannot cancel Orders under any circumstances without Buyer first reaching an agreement in writing with Seller covering Seller's damages. Unless a cancellation schedule is agreed in the Order, such agreement for cancellation charges must reimburse Seller for all expenses incurred, including, but not limited to, costs of purchased materials, labor costs, engineering costs, third-party service costs, and an amount corresponding to ten percent (10%) of the Order to cover overhead and profit.

12. FORCE MAJEURE – In the event of any delay in the Seller's performance due to fires, strikes or lockouts, labour disputes, war, civil unrest, pandemics, epidemics, embargoes, floods, delays in transportation, shortage of cars, raw materials, fuel of other materials, default, delay or failure of carriers or contractors, shortages of labour, breakdown or partial failure of plant or machinery, acts of God, domestic or foreign government actions or inactions, domestic or foreign government quotas or restrictions, acts, demands, requirements or requests of any state or government or governmental or regulatory body or to any other cause beyond the reasonable control of the Seller or any of its affiliates involved with the manufacture, processing or delivery of the goods, the Seller shall have such additional time within which to perform the Order as may be reasonably necessary under the circumstances, having regard to the effect of the delaying cause on the manufacture, processing or delivery of the goods.

Notwithstanding the foregoing, if performance of the Order by the Seller is delayed for a period exceeding thirty (30) days by any such cause, either party may, at its option and upon written notice to the other party, cancel the delivery of the goods, provided that in respect of goods already manufactured or in the process of manufacture at the date of exercise of the option, such cancellation shall be subject to the written consent of the Seller.

13. INTELLECTUAL PROPERTY – All plans, drawings, technical specifications, documents, software, microfilm, data, or proprietary information relating to the goods sold, distributed or manufactured hereunder shall be treated in confidence by Buyer, who shall ensure the confidentiality thereof. They remain Seller's exclusive property and may be neither copied nor reproduced nor communicated to a third party in any way whatever nor used for manufacture of any goods or product similar to the goods, or parts thereof. All documents submitted with tenders or qualifications process that do not result in an order shall be, at Seller's option, either destroyed or returned to Seller on request.

14. CONSEQUENTIAL DAMAGES – In no event, whether in contract, tort or otherwise shall Seller be liable for any indirect, consequential, general, special, incidental, punitive or exemplary damages of any kind or nature, including, without limitation, for any losses or damages for or arising out of any lack or loss of use of any goods for any reason, or for loss of profits, business, goodwill, use or revenue, or for

loss resulting from unusable machinery or facility downtime, howsoever caused and even if the potential for such damages was disclosed and/or known.

15. AMENDMENTS – No terms or conditions, other than those stated herein, and no agreement or understanding, oral or written, purporting to modify the Order, including, without limitation, these Terms and Conditions of Sales, whether contained in the Buyer’s purchase order or elsewhere, shall be binding on the Seller unless made in writing and accepted in writing by the Seller.

16. UNITED NATIONS CONVENTION – The provisions of the United Nations Convention on Contracts for the International Sale of Goods shall not apply to the Order.

17. NOTICES – All notices to be given under the Order shall be given in writing and may be delivered or sent by registered mail, fax or other electronic means.

18. NO WAIVER – The rights of the Seller shall not be prejudiced or restricted by any indulgence or forbearance extended to the Buyer and no waiver by the Seller in respect of any breach shall operate as a waiver in respect of any subsequent breach.

19. SEVERABILITY – In the event that, for any reason, any provision in these Terms and Conditions of Sales is or is held to be void, unenforceable or otherwise invalid, any contract made which incorporates these Terms and Conditions of Sales shall continue to be fully binding and all other conditions herein shall remain fully effective.

20. ASSIGNMENT - Buyer may not assign, novate or otherwise transfer its rights or obligations under this Order without Seller’s prior written consent, and any attempt to do so shall be null and void and of no effect.

21. APPLICABLE LAW AND JURISDICTION – The Order shall be interpreted and enforced under the laws of the province of Ontario and the federal laws of Canada applicable therein. The Buyer and Seller hereby accept and consent to the jurisdiction of the courts of the province of Ontario.

22. ENTIRE AGREEMENT – This Order constitutes the entire between the parties with respect to the subject matter hereof and shall supersede all previous proposals, both oral and written, negotiations, representations, commitments, writings and all other communications between the parties.

23. LANGUAGE – Les parties aux présentes ont demandé et convenu que le présent Contrat et tout document y afférent soient rédigés en anglais. The parties hereto have requested and agreed that this Order and any ancillary documents be drawn up in English.