

These Conditions of Sale form an integral part of Seller's acknowledgement order and shall constitute the only terms and conditions of the contract of sale unless otherwise expressly agreed to by Seller in writing.

**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 Conditions of Sale when the Seller's acknowledgement order has been received by the Buyer (the "Contract"). Any term or condition in the Buyer's purchase order which is additional to, different from or inconsistent with these Conditions of Sale shall be of no effect unless expressly agreed to by the Seller in writing.

**PRICES** – All prices and charges, including transportation charges, are subject to change without notice. Seller's prices and charges shall be those in effect at the time of shipment.

**TERMS OF PAYMENT** – Terms of payment are net 30 days from the date of Seller's invoice. Overdue payment(s) shall bear interest at the annual rate of 2% above the prime rate announced by the Royal Bank of Canada from time to time.

**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 Contract, 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.

**DELIVERY** – 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.

**TITLE, OWNERSHIP AND RISK** – Title to the goods shall pass to the Buyer as per the agreed Incoterms on Seller's invoice, at which time the goods shall be at the risk of the Buyer.

**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.

**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.

**BUYER'S REMEDIES** – If any goods furnished to the Buyer fail to conform to the Contract, 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. The Seller shall in no event be liable for the cost of any value added to any non-conforming goods or for any direct, indirect, consequential, general, special, incidental, punitive or exemplary damages by reason of the fact that any such goods shall have been non-conforming. Under no circumstances shall the Seller's liability exceed the price invoiced by the Seller for the goods considered defective.

**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.

**FORCE MAJEURE** – In the event of any delay in the Seller's performance due to fires, strikes or lockouts, labour disputes, war, civil unrest, 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, 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 Contract 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 Contract 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.

**CONSEQUENTIAL DAMAGES** – The Seller shall not 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 or revenue.

**AMENDMENTS** – No terms or conditions, other than those stated herein, and no agreement or understanding, oral or written, purporting to modify the Contract, including, without limitation, these Conditions of Sale, 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.

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

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

**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.

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

**APPLICABLE LAW AND JURISDICTION** – The Contract 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.

**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 Contract and any ancillary documents be drawn up in English.