

GENERAL TERMS AND CONDITIONS

1. Applicability.

(a) These terms and conditions of sale (these "**Terms**") are the only terms which govern the sale of the goods ("**Goods**") or welding services (the "**Services**") by Aircom Instrumentation Ltd. ("**Seller**") to the buyer ("**Buyer**") named on the accompanying quotation, confirmation or sales invoice (the "**Sales Document**").

(b) The Sales Document and these Terms (collectively, this "**Agreement**") comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Buyer's general terms and conditions of purchase regardless of whether or when Buyer has submitted its purchase order or such terms. Fulfilment of Buyer's order does not constitute acceptance of any of Buyer's terms and conditions and does not serve to modify or amend these Terms. Notwithstanding anything herein to the contrary, if a written contract signed by both parties is in existence covering the sale of the Goods and Services covered hereby, the terms and conditions of said contract shall prevail to the extent they are inconsistent with these Terms.

2. Delivery of Goods and Performance of Services.

(a) The Goods will be delivered within a reasonable time after the receipt of Buyer's purchase order and after all applicable and related drawings and documents have been approved by Buyer, subject to availability of finished Goods. Seller shall not be liable for any delays, loss or damage in transit. Seller shall not be bound to deliver any Goods or provide any Services (including those that may be set out in a Buyer purchase order) until it has either expressly accepted Buyer's purchase order in writing or issued a Sales Document with respect to such Goods and/or Services.

(b) If applicable and if it has been agreed in writing by the parties, Seller shall deliver the Goods to the location specified on the Sales Document (the "**Delivery Point**"), using Seller's standard methods for packaging and shipping such Goods, unless otherwise agreed by the parties in writing. Buyer shall be responsible for all loading costs and for providing equipment and labour reasonably suited for receipt of the Goods at the Delivery Point, unless it has been otherwise agreed in writing by the parties.

(c) Seller may, in its sole discretion, without liability or penalty, make partial shipments of Goods to Buyer. Each shipment will constitute a separate sale, and Buyer shall pay for the units shipped whether such shipment is in whole or partial fulfilment of Buyer's purchase order.

(d) If for any reason Buyer fails to accept delivery of any of the Goods on the date fixed pursuant to Seller's notice that the Goods have been delivered at the Delivery Point, or if Seller is unable to deliver the Goods at the Delivery Point on such date because Buyer has not provided appropriate instructions, documents, licenses or authorizations: (i) risk of loss to the Goods shall pass to Buyer; (ii) the Goods shall be deemed to have been delivered; and (iii) Seller, at its option, may store the Goods until Buyer picks them up, whereupon Buyer shall be liable for all related costs and expenses (including, without limitation, storage and insurance).

(e) Seller shall use commercially reasonable efforts to meet any shipping dates for the Goods or performance dates to render the Services (each as may be specified in the Sales Document), and any such dates shall be estimates only and are in all cases dependent upon Buyer providing Seller with all information required by Seller to provide the Goods and/or Services.

(f) Seller shall provide to Buyer a packing slip and such other documentation with respect to the Goods as may be requested by Buyer and agreed to by Seller in writing (collectively, the "**Documentation**").

(g) With respect to the Services, Buyer shall (i) cooperate with Seller in all matters relating to the Services; (ii) respond promptly to any Seller request to provide direction, information, approvals, authorizations or decisions that are reasonably necessary for Seller to perform Services in accordance with the requirements of this Agreement; and (iii) provide such customer materials or information as Seller may request to carry out the Services in a timely manner and ensure that such customer materials or information are complete and accurate in all material respects.

(h) All Intellectual Property Rights in the Goods, the Documentation and any other documentation provided by Seller to Buyer (collectively the "**Goods IP Rights**") are solely held and fully retained by Seller and nothing in this Agreement grants Buyer any ownership rights with respect to any Goods IP Rights. Seller hereby grants to Buyer a non-exclusive, non-transferable, non-sublicensable right to use the Goods IP Rights solely for the purpose of using and maintaining the Goods.

For the purposes of this Agreement, "Intellectual Property Rights" means any and all (i) proprietary rights provided under patent law, copyright law, trade-mark law, design patent or industrial design law, semi-conductor chip or mask work law, or any other applicable statutory provision or otherwise arising at law or in equity anywhere in the world, including, without limitation, trade secret law, that may provide a right in works, software, marks, ideas, formulae, algorithms, concepts, methodologies, techniques, inventions, or know-how, or the expression or use thereof, (ii) applications, registrations, licenses, sublicenses, agreements, or any other evidence of a right in any of the foregoing, and (iii) past, present, and future causes of action, rights of recovery, and claims for damage, accounting for profits, royalties, or other relief relating, referring, or pertaining to any of the foregoing.

3. Non-Delivery.

(a) The quantity of any instalment of Goods as recorded by Seller on dispatch from Seller's place of business is conclusive evidence of the quantity received by Buyer on delivery unless Buyer can provide conclusive evidence proving the contrary.

(b) Seller shall not be liable for any non-delivery of Goods (even if caused by Seller's negligence) unless Buyer gives written notice to Seller of the non-delivery within 10 days of the date when the Goods would in the ordinary course of events have been received.

(c) Any liability of Seller for non-delivery of the Goods shall be limited to replacing the Goods within a reasonable time or adjusting the invoice respecting such Goods to reflect the actual quantity delivered.

(d) Buyer acknowledges and agrees that the remedies set forth in Section 3 are Buyer's exclusive remedies for the delivery of Non-Conforming Goods (as defined in Section 7(a) below). Except as provided under Section 3(c), all sales of Goods to Buyer are made on a one-way basis and Buyer has no right to return Goods purchased under this Agreement to Seller.

4. Shipping Terms.

Unless otherwise agreed by the parties in writing, then the Goods shall be Ex Works at their point of manufacture.

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5. Title and Risk of Loss.

Title and risk of loss passes to Buyer upon delivery of the Goods at the Delivery Point. As collateral security for the payment of the purchase price of the Goods, Buyer hereby grants to Seller a lien on and security interest in and to all of the right, title and interest of Buyer in, to and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the *Alberta Personal Property Security Act*.

6. Buyer's Acts or Omissions.

If Seller's performance of its obligations under this Agreement is prevented or delayed by any act or omission of Buyer or its agents, subcontractors, consultants or employees, Seller shall not be deemed in breach of its obligations under this Agreement or otherwise liable for any costs, charges or losses sustained or incurred by Buyer, in each case, to the extent arising directly or indirectly from such prevention or delay.

7. Inspection and Rejection of Non-Conforming Goods.

(a) Buyer shall inspect the Goods within 5 days of receipt ("**Inspection Period**"). Buyer will be deemed to have accepted the Goods unless it notifies Seller in writing of any Non-Conforming Goods during the Inspection Period and furnishes such written evidence or other documentation as required by Seller. "**Non-Conforming Goods**" means only the following: (i) product shipped is different than identified in Buyer's purchase order or Sales Document; or (ii) product's label or packaging incorrectly identifies its contents.

(b) If (i) Buyer timely notifies Seller of any Non-Conforming Goods and (ii) Seller (at its option) verifies upon its own inspection that the Goods in question are in fact Non-Conforming Goods, Seller shall, in its sole discretion (iii) replace such Non-Conforming Goods with conforming Goods, or (iv) credit or refund the Price (as defined in Section 9(a) below) for such Non-Conforming Goods, together with any reasonable shipping and handling expenses incurred by Buyer in connection therewith. Buyer shall ship, at its expense and risk of loss, the Non-Conforming Goods to the Delivery Point, unless otherwise agreed by the parties in writing. If Seller exercises its option to replace Non-Conforming Goods, Seller shall, after receiving Buyer's shipment of Non-Conforming Goods, ship to Buyer, at Buyer's expense and risk of loss, the replaced Goods to the Delivery Point.

(c) Buyer acknowledges and agrees that the remedies set forth in Section 8(b) are Buyer's exclusive remedies for the delivery of Non-Conforming Goods. Except as provided under Section 8(b), all sales of Goods to Buyer are made on a one-way basis and Buyer has no right to return Goods purchased under this Agreement to Seller.

8. Modification of Goods

(a) Buyer will not modify the Goods or modify or remove any existing warnings about risks due to improper handling of the Goods.

(b) If Seller determines that any Goods sold to Buyer should be recalled (including as a result of a Third Party Product recall), Buyer shall, at and in accordance with Seller's instructions, withdraw all such Goods from sale or use and, at Seller's option, either return such Goods to Seller or destroy the Goods and provide Seller with written certification of such destruction.

9. Price.

(a) Buyer shall purchase the Goods and Services from Seller at the prices (the "**Prices**") set forth on the Sales Document.

(b) All Prices are exclusive of all harmonized sales tax, goods and services tax, sales tax, value added tax, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any Governmental Authority on any amounts payable by Buyer. Buyer shall be responsible for all such charges, costs and taxes; *provided that*, Buyer shall not be responsible for any taxes imposed on, or with respect to, Seller's income, revenues, gross receipts, personnel or real or personal property or other assets.

10. Payment Terms.

(a) Unless otherwise agreed in writing by the parties, Buyer shall pay all invoiced amounts due to Seller within 30 days from the date of Seller's invoice and in accordance with the credit application document completed by Seller, if applicable. Buyer shall make all payments hereunder by cash, electronic funds transfer, cheque, credit card or other agreed upon method of payment and in the currency specified on the Sales Document.

(b) Buyer shall pay interest on all late payments at the lesser of the rate of 1.5% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Buyer shall reimburse Seller for all costs incurred in collecting any late payments, including, without limitation, legal fees on a full indemnity basis. In addition to all other remedies available under these Terms or at law (which Seller does not waive by the exercise of any rights hereunder), Seller shall be entitled to suspend the delivery of any Goods or performance of any Services if Buyer fails to pay any amounts when due hereunder and such failure continues for 10 days following written notice thereof.

(c) Buyer shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with Seller, whether relating to Seller's breach, bankruptcy or otherwise.

(d) In the event Buyer purports to cancel all or part of an order for Goods following the issuance of a Sales Document, Buyer will be charged a cancellation fee. The amount of the cancellation fee will vary, depending on the Goods which were subject to the order. All cancellation fees are due within 30 days of Seller providing Buyer with notice of such fees.

11. Limited Warranty.

(a) Seller warrants to Buyer that for the lesser of 18 months from the date of shipment of the Goods or 12 months after installation of the Goods ("**Warranty Period**"), that such Goods will be free from material defects in material and workmanship.

(b) With respect to any Services provided by Seller, Seller warrants to Buyer that it shall perform such Services using personnel of required skill, experience and qualifications and in a professional and workmanlike manner in accordance with generally recognized industry standards for similar services.

(c) EXCEPT FOR THE WARRANTIES SET FORTH IN SECTION 11(a) AND 11(b), SELLER MAKES NO CONDITION OR WARRANTY WHATSOEVER WITH RESPECT TO THE GOODS OR SERVICES, INCLUDING ANY (a) CONDITION OR WARRANTY OF MERCHANTABILITY; (b) CONDITION OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) CONDITION OR WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED

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BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.

(d) Products manufactured by a third party ("**Third Party Product**") may be sold separately by Seller or constitute, contain, be contained in, incorporated into, attached to or packaged together with, the Goods. Third Party Products are not covered by the warranty in Section 11(a). SELLER MAKES NO REPRESENTATIONS, CONDITIONS OR WARRANTIES WITH RESPECT TO ANY THIRD PARTY PRODUCT, INCLUDING ANY (a) CONDITION OR WARRANTY OF MERCHANTABILITY; (b) CONDITION OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) CONDITION OR WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.

(e) Seller shall not be liable for a breach of the warranties set forth in Sections 11(a) and 11(a)11(b) unless: (i) Buyer gives written notice of the defective Goods or Services, as the case may be, reasonably described, to Seller within 10 days of the time when Buyer discovers or ought to have discovered the defect; (ii) if applicable, Seller is given a reasonable opportunity after receiving the notice of breach of the warranty set forth in Section 11(a) to examine such Goods and Buyer (if requested to do so by Seller) returns such Goods to Seller's place of business at Buyer's cost for the examination to take place there; and (iii) Seller reasonably verifies Buyer's claim that the Goods or Services are defective.

(f) Seller shall not be liable for a breach of the warranty set forth in Section 11(a) or 11(a)11(b) if: (i) Buyer makes any further use of such Goods after giving such notice; (ii) the defect arises because Buyer failed to follow Seller's oral or written instructions as to the storage, installation, commissioning, use or maintenance (iii) the defect arises due to misuse, improper handling or installation, improper storage, use of unauthorized parts, unsuitable environmental conditions or inadequate or improper repair or preventative maintenance of the Goods or (iv) Buyer alters or repairs such Goods without the prior written consent of Seller.

(g) Subject to Section 11(e) and Section 11(f) above, with respect to any such Goods during the Warranty Period, Seller shall, in its sole discretion, either: (i) repair or replace such Goods (or the defective part) or (ii) credit or refund the price of such Goods at the pro rata contract rate provided that, if Seller so requests, Buyer shall, at Buyer's expense, return such Goods to Seller. Unless otherwise agreed by the parties, the shipping costs for the delivery of any repaired Goods from Seller to Buyer will be paid for by Seller.

(h) Subject to Section 11(e) and Section 11(f) above, with respect to any Services subject to a claim under the warranty set forth in Section 11(b), Seller shall, in its sole discretion, (i) repair or re-perform the applicable Services or (ii) credit or refund the price of such Services.

(i) THE REMEDIES SET FORTH IN SECTION 11(g) and SECTION 11(h) SHALL BE THE BUYER'S SOLE AND EXCLUSIVE REMEDY AND SELLER'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTIES SET FORTH IN SECTION 11(a) and SECTION 11(b), RESPECTIVELY.

12. Limitation of Liability.

(a) IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THESE TERMS, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE BY BUYER OR COULD HAVE BEEN REASONABLY FORESEEN BY BUYER, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

(b) IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE GOODS AND SERVICES SOLD HEREUNDER.

13. Indemnity.

Buyer shall defend, indemnify and hold Seller harmless from any costs, losses, damages, actions or claims (including third party claims) relating to or arising out of (i) any breach of this Agreement by Buyer or (ii) any negligence or willful misconduct of Buyer or any of its directors, officers, employees, agents or representatives.

14. Compliance with Law.

Buyer shall comply with all applicable laws, regulations and ordinances. Buyer shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Agreement. Buyer shall comply with all export and import laws of all countries involved in the sale of the Goods under this Agreement or any resale of the Goods by Buyer (including any restrictions in respect of export to sanctioned countries). Unless otherwise agreed in writing by the parties, Buyer assumes all responsibility for shipments of Goods requiring any government import clearance and all documentation associated with the import or export of such Goods. Seller may terminate this Agreement if any governmental authority imposes countervailing duties or any other penalties on Goods.

15. Termination.

In addition to any remedies that may be provided under these Terms, Seller may terminate this Agreement with immediate effect upon written notice to Buyer, if Buyer: (a) fails to pay any amount when due under this Agreement; (b) has not otherwise performed or complied with any of these Terms, in whole or in part; or (c) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.

16. Waiver.

No waiver by Seller of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Seller. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

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17. Confidential Information.

All non-public, confidential or proprietary information of Seller, including but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by Seller in writing. Upon Seller's request, Buyer shall promptly return all documents and other materials received from Seller and destroy any electronic copies of same. Seller shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to Buyer at the time of disclosure; or (c) rightfully obtained by Buyer on a non-confidential basis from a third party.

18. Force Majeure.

The Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, pandemic (including COVID-19), quarantine, lockdowns or lockouts, strikes or other labour disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage.

19. Assignment.

Buyer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Seller. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Buyer of any of its obligations under this Agreement.

20. Relationship of the Parties.

The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

21. No Third-Party Beneficiaries.

This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.

22. Governing Law.

All matters arising out of or relating to this Agreement are governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein without giving effect to any choice or conflict of law provision or rule that would cause the

application of the laws of any jurisdiction other than those of the Province of Alberta.

23. Choice of Forum.

Any legal suit, action, litigation or proceeding of any kind whatsoever in any way arising out of, from or relating to this Agreement, including all exhibits, schedules, attachments, and appendices attached to this Agreement, and all contemplated transactions, shall be instituted in the courts of the Province of Alberta in the City of Edmonton and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, litigation or proceeding. Service of process, summons, notice, or other document by mail to such party's address set forth herein shall be effective service of process for any suit, action, litigation or other proceeding brought in any such court. Each party agrees that a final judgment in any such suit, action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The parties irrevocably and unconditionally waive any objection to the venue of any action or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

24. Notices.

All notices, request, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the face of the Sales Document or to such other address that may be designated by the receiving party in writing. Notices sent in accordance with this Section will be deemed effectively given: (a) if delivered by hand, when received, with signed confirmation of receipt; (b) if sent by a nationally recognized overnight courier, signature required, when received; (c) if sent by facsimile (with confirmation of transmission), either when sent (if sent during the addressee's normal business hours) or on the next business day (if sent after the addressee's normal business hours); (d) if sent by email, the day that a return email is received from the recipient (which email cannot be a 'bounce-back' email) and (e) if sent by certified or registered mail by the Canada Post Corporation, return receipt requested and postage prepaid, on the 5th day after the date mailed.

25. Severability.

If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

26. Survival.

Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Order including, but not limited to, the following provisions: Title and Risk of Loss, Modification of Goods, Limitation of Liability, Indemnity, Compliance with Laws, Confidential Information, Governing Law, Choice of Forum and Survival.

27. Amendment and Modification.

These Terms may only be amended or modified in a writing stating specifically that it amends these Terms and is signed by an authorized representative of each party.