

TERMS AND CONDITIONS OF SALE - CDN

LEGAL EFFECT: These Terms and Conditions of Sale ("Terms") and the associated Order Acknowledgement (collectively, the "Agreement") are binding upon the ("Buyer"). Except as otherwise agreed to in writing by Quadra Pump Co. Ltd. ("Quadra"), these Terms shall apply to all sales of products and services (collectively, "Products"). Additional or different terms shall have no effect unless agreed to in writing by Quadra.

Quadra may suspend its performance of any order if Buyer defaults in the performance of its duties hereunder or under any other agreement between Quadra and Buyer.

ACCEPTANCE: The sale of Products by Quadra to Buyer is expressly conditioned on Buyer's acceptance of these Terms or acceptance of any Products.

CHANGES: Any changes proposed by Buyer after formation of this Agreement that affect the delivery schedule or requirements, or otherwise affect the scope of this Agreement, shall be submitted in writing by Buyer to Quadra and shall become binding only if agreed to in writing by Quadra. Any modifications to price or delivery as a result of such changes shall be determined by Quadra in its sole discretion.

CANCELLATION AND REVISION: No order may be cancelled or revised, in whole or in part, without the written consent of Quadra. In the event that Quadra consents to any cancellation or revision, Buyer shall reimburse Quadra for all of Quadra's losses, costs, and damages caused by such cancellation or revision, including, but not limited to, any costs arising from changes in design or specifications.

CREDIT: The amount of credit offered by Quadra to Buyer is based on a number of factors, including, but not limited to, Quadra's opinion of Buyer's capacity, ability, and willingness to promptly pay for Products. Quadra reserves the right to revoke Buyer's credit and/or suspend performance on any order in the event that, in Quadra's opinion, there is a material adverse change in Buyer's financial condition, or Buyer has not, within the agreed upon time, fully paid for Products previously supplied under any other agreement with Quadra.

PAYMENTS: Buyer shall pay all amounts due within thirty (30) days of receipt of invoice. A monthly service charge of 1.5% may be charged on amounts owed by Buyer to Quadra that have not been paid on time, subject to the maximum amount permitted by law.

TITLE AND LIEN RIGHTS: The Products will remain personal property, regardless of how the Products are installed or affixed to any realty or structure. After delivery to Buyer, Quadra will have all such rights, including security interests and liens, in the Products as lawfully may be conferred upon Quadra under any applicable provision of law. Buyer agrees to cooperate fully with Quadra in the filing of any financing statements, including Uniform Commercial Code filings or other documents necessary to perfect such interests and liens. If Buyer breaches this Agreement, or defaults on any obligations, Quadra may take any and all actions permitted by law to protect its interests, including, where permissible, repossession of such Products.

SHIPMENTS: All sales are ex-works factory. Risk of loss shall pass to Buyer upon shipment. Shipping contracts made by Quadra shall be to Buyer's account. All claims for loss or damage after shipment shall be filed by Buyer with the carrier. Buyer shall be liable to Quadra for the full price of the goods, irrespective of loss or damage in transit.

LIMITED WARRANTY: Quadra warrants, to Buyer only, that Products manufactured by Quadra are free from defects in material and workmanship for a period of one year. If a failure to conform to specifications or a defect in materials or workmanship is discovered within the applicable period, Quadra must be promptly notified in writing within ten (10) days of such discovery. Within a reasonable time after such notification, Quadra shall correct any failure to conform to specifications or any defect in materials or workmanship, or in lieu of such repair, and at Quadra's sole option, shall replace the Products or the applicable portion thereof.

Any such repair shall be performed at Quadra's facility, unless otherwise designated by Quadra. Buyer shall pay any cost incurred as a result of shipping the Products, or any portion thereof, to Quadra. Quadra shall pay any cost incurred in returning the Products, or any portion thereof, to Buyer. For repairs done at Quadra's facility, Quadra will pay for any costs of labor and materials, and any expenses incurred by Quadra in making such repairs.

The warranty provided herein shall not apply in the event of any (a) defects caused by a failure to provide a suitable storage and installation environment for the Products, (b) damage caused by the use of the Products for purposes other than those for which the Products were designed or intended, (c) damage caused by disasters such as fire, flood, wind, or lightning, (d) damage caused by unauthorized attachments or modifications, (e) other abuse or misuse, including improper installation, (f) reasonable wear and tear, and (g) defects in equipment or components not manufactured by Quadra. Quadra shall pass on any warranties for equipment and components not manufactured by Quadra to the extent possible.

QUADRA DISCLAIMS ANY AND ALL WARRANTIES AND REPRESENTATIONS WITH RESPECT TO THE PRODUCTS PROVIDED HEREUNDER, WHETHER EXPRESS OR IMPLIED, ARISING BY LAW, CUSTOM, ORAL OR WRITTEN STATEMENTS OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR THAT THE PRODUCTS WILL GENERATE CERTAIN RESULTS, WORK IN COMBINATION WITH OTHER COMPONENTS OR AS AN INTEGRATED SYSTEM, OR WILL FULFILL ANY OF BUYER'S PARTICULAR PURPOSES OR NEEDS.

COMPLIANCE WITH LAWS: Buyer shall abide by and comply with all laws, regulations, rules and guidance of federal, provincial, state, local, or foreign governmental and regulatory authorities ("Applicable Laws") pertaining to its business and governing the purchase, license, installation or use of the Products, including, without limitation, all Applicable Laws pertaining to (a) obtaining licenses, permits and registrations and fulfilling all other requirements of governmental agencies, (b) the sale or shipment of Products or use of service of Products, including, but not limited to, the U.S. Foreign Corrupt Practices Act, the U.K. Anti-Bribery Act, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and applicable customs requirements, and (c) the fulfillment of any of Buyer's obligations under this Agreement, including, but not limited to, the payment of all applicable taxes, duties and governmental charges, obtaining all required governmental permits, licenses and approvals, compliance with Applicable Laws related to safety, health, the environment, fair labor practices and unlawful discrimination, and any required testing of Products. Quadra shall have no obligation or responsibility of any kind with respect thereto. Buyer agrees that it will not (i) assist or participate in the unlawful diversion of Quadra's products into foreign countries, (ii) sell any Quadra products in countries or to users not approved to receive such products without first obtaining the licenses or permits required under Applicable Laws, or (iii) engage in any other violation of Applicable Laws.

Buyer agrees to comply with all applicable export control laws and regulations, all trade and economic sanctions regulations, all arms control laws and regulations, the Foreign Corrupt Practices Act, and any other applicable law. Buyer shall be responsible for obtaining any license required under any law or regulation. Buyer agrees that no item received from Quadra is intended to be shipped, either directly or indirectly, to any country, company or Person or for any end-use that is prohibited under any applicable law.

LIMITATION OF LIABILITY: Quadra's aggregate liability for any claim, loss, cost, damage, or liability arising out of or related to this Agreement, including, but not limited to, any liability arising from negligence, warranty, indemnity, contract, strict liability, or operation of law, shall in no event exceed the purchase price paid by Buyer for the affected Products. **IN NO EVENT SHALL QUADRA BE LIABLE FOR, OR OBLIGATED IN ANY MANNER TO PAY, SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES OF ANY KIND.**

INDEMNIFICATION: Buyer shall indemnify, defend and hold harmless Quadra, its affiliates, and their respective directors, officers, members, employees, agents, contractors, successors, and assigns from and against all losses, damages, expenses, claims, demands, suits, judgments, penalties, and costs of any kind whatsoever, including attorney fees and expenses arising out of this Agreement or Buyer's use, acts, or omissions in connection with any Products.

GOVERNING LAW AND FORUM: This Agreement shall be governed in all respects by the laws of the Province of British Columbia, Canada (excluding any conflicts of laws principles that would lead to the application of another province's laws). Buyer submits to the jurisdiction of the province and federal courts of British Columbia for the purposes of resolving any dispute arising under or in connection with this Agreement.