



TERMS AND CONDITIONS OF SALE

North Star Distribution LTD.

TERMS AND CONDITIONS OF SALE

North Star Distribution LTD.

1. Application of Terms and Conditions of Sale

These terms and conditions of sale (the "Terms") shall apply to any quotation, purchase order, order acknowledgement, invoice, or other document used to place an order (each, an "Order," and together with these Terms, the "Agreement") which is issued or accepted by either party for the sale by North Star Distribution LTD. (the "Vendor") of goods (the "Goods") to the purchaser (the "Purchaser"), to the entire exclusion of all other terms and conditions, whether express, implied, statutory, or otherwise.

The Agreement constitutes the entire agreement between Purchaser and Vendor with respect to the subject matter hereof and supersedes all prior agreements, negotiations, representations, and understandings, whether written or oral. There are no representations, warranties, conditions, or collateral agreements, express or implied, other than those expressly set out herein.

In the event of any conflict, inconsistency, or ambiguity between these Terms and any provision contained in an Order or other document issued by Purchaser, these Terms shall prevail and take precedence. Any additional, inconsistent, or conflicting terms proposed or submitted by Purchaser are hereby expressly rejected and shall be of no force or effect unless expressly agreed to in writing by Vendor. Vendor's failure to object to any such terms shall not constitute acceptance thereof.

Any purchase order or other document issued by Purchaser shall be deemed to have been issued for its own internal or administrative purposes only and shall not amend, vary, or form part of the Agreement.

2. Price and Payment

The purchase price (the "Price") for the Goods shall be as specified in the applicable Order and, unless otherwise expressly stated in writing, shall be in Canadian dollars.

The Price shall be payable in full, without any deduction, set-off, counterclaim, back charge, retention, holdback, or withholding of any kind whatsoever, whether arising by statute, contract, equity, or

otherwise.

Vendor reserves the right, at its sole discretion, to adjust the Price to reflect its prices in effect at the time of shipment, including without limitation increases in the cost of materials, labour, transportation, currency fluctuations, or other inputs. All quotations are subject to change without notice and shall not be binding upon Vendor until accepted and shipment has commenced.

All invoices issued by Vendor are due and payable within thirty (30) days from the date of invoice. Any amount not paid when due shall bear interest at the rate of 1.5% per month (19.56% per annum), calculated and compounded monthly, or the maximum rate permitted by applicable law, whichever is less.

In the event that Purchaser defaults in payment, refuses or fails to accept delivery, becomes insolvent, makes an assignment for the benefit of creditors, or commits any act of bankruptcy within the meaning of the Bankruptcy and Insolvency Act (Canada), Vendor may, at its option and without prejudice to any other rights or remedies available at law or in equity, suspend performance, withhold delivery, require payment in advance, reclaim Goods in transit where permitted by law, or cancel the balance of the Order.

Goods held for Purchaser shall be at Purchaser's sole risk and expense, and Vendor shall be entitled to charge reasonable storage, handling, and insurance fees.

Purchaser shall be responsible for and shall promptly reimburse Vendor for all costs incurred in the collection of any overdue amounts, including without limitation legal fees on a solicitor and own client basis, court costs, and collection agency fees.

3. Taxes

The Price is exclusive of all applicable taxes, duties, levies, tariffs, and governmental charges of any kind whatsoever, including without limitation goods and services tax (GST), customs duties, excise taxes, and import or export charges (collectively, "Taxes").

Vendor may, but shall not be obligated to, add applicable Taxes to any invoice. Purchaser shall remain solely responsible for the payment of all Taxes, whether or not invoiced by Vendor. Vendor's failure to charge or collect any Taxes shall not relieve Purchaser of its obligation to remit such Taxes to the appropriate authority.

Purchaser shall indemnify and hold harmless Vendor from and against any liability, penalties, interest, or expenses arising from Purchaser's failure to pay any applicable Taxes.

4. Title, Delivery and Inspection

4.1 Title and Risk of Loss

Unless otherwise expressly agreed in writing, delivery of the Goods shall be made FCA Vendor's facility (Incoterms® 2010). Risk of loss of or damage to the Goods shall pass to Purchaser upon delivery of the Goods to the carrier at Vendor's facility.

Notwithstanding the foregoing, and regardless of the transfer of title, until such time as the Price and all other amounts owing by Purchaser to Vendor have been paid in full, Purchaser acknowledges and agrees that Vendor retains a continuing security interest in the Goods and all proceeds thereof.

4.2 Delivery

Any delivery dates or timelines provided by Vendor are estimates only and are not guaranteed. Vendor shall use commercially reasonable efforts to meet such estimated dates but shall not be liable for any delay in delivery, nor for any loss or damage, whether direct, indirect, incidental, or consequential, arising from any such delay.

Vendor reserves the right to make partial deliveries, and each delivery shall constitute a separate sale and transaction.

4.3 Inspection and Acceptance

Purchaser shall inspect the Goods as soon as reasonably practicable following receipt. Purchaser shall notify Vendor in writing of any visible defects, shortages, or incorrect shipments within ten (10) days of delivery.

Failure to provide such notice within the prescribed period shall constitute irrevocable acceptance of the Goods and a waiver of any right to reject or claim in respect thereof.

Without limiting the foregoing, unless Purchaser notifies Vendor in writing within ten (10) days of receipt of an invoice that Goods have not been received or that the Price is incorrect, such invoice shall be deemed to be final, conclusive, and binding upon Purchaser.

5. Cancellation or Changes

Purchaser expressly acknowledges that all Orders are firm, binding, and non-cancellable except with the prior written consent of Vendor.

Vendor's interpretation of any verbal Order or instruction shall be final and binding in the absence of written confirmation to the contrary.

In the event that Vendor agrees to any cancellation, suspension, or modification, Purchaser shall be liable for and shall pay all costs, expenses, and commitments incurred by Vendor up to the effective

date thereof, including but not limited to materials, labour, overhead, and lost profits.

Any such changes may result in adjustments to the Price and delivery schedule.

6. Acknowledgment and Limited Warranty

6.1 Acknowledgment

Purchaser acknowledges that Vendor is solely a distributor of the Goods and does not manufacture, test, or verify the performance, specifications, or suitability of the Goods. Purchaser assumes all responsibility for the selection and use of the Goods.

6.2 Warranty Disclaimer

Vendor warrants the Goods only to the extent of any warranty provided by the manufacturer and only to the extent that such warranty is honoured.

THE WARRANTIES SET FORTH HEREIN ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, REPRESENTATIONS, AND CONDITIONS, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, MERCHANTABLE QUALITY, OR FITNESS FOR A PARTICULAR PURPOSE.

6.3 Exclusive Remedy

Purchaser's sole and exclusive remedy shall be, at Vendor's sole option, repair, replacement, or refund of the Price paid for the Goods.

All claims must be made promptly upon discovery and, in any event, within one (1) year from the date of delivery.

7. Limitation of Liability

UNDER NO CIRCUMSTANCES SHALL VENDOR BE LIABLE TO PURCHASER OR TO ANY OTHER PERSON OR ENTITY FOR ANY INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL DAMAGES WHATSOEVER, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS, LOSS OF REVENUE, LOSS OF BUSINESS, LOSS OF USE, LOSS OF DATA, LOSS OF CONTRACT, COST OF CAPITAL, COST OF SUBSTITUTE GOODS OR SERVICES, BUSINESS INTERRUPTION, OR ANY OTHER COMMERCIAL OR ECONOMIC LOSS OR DAMAGE, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE, AND WHETHER OR NOT SUCH DAMAGES WERE FORESEEABLE OR VENDOR WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, VENDOR SHALL NOT BE LIABLE FOR ANY COSTS OR EXPENSES INCURRED BY PURCHASER IN CONNECTION WITH THE REMOVAL, REPAIR, REPLACEMENT, OR REINSTALLATION OF ANY GOODS, NOR FOR ANY DAMAGES ARISING FROM DELAY IN DELIVERY, FAILURE OF THE GOODS, OR ANY DEFECT THEREIN.

IN THE EVENT THAT VENDOR IS FOUND LIABLE FOR ANY CLAIM WHATSOEVER ARISING OUT OF OR IN CONNECTION WITH THE SALE, DELIVERY, INSTALLATION, OR USE OF THE GOODS, REGARDLESS OF THE FORM OF ACTION OR BASIS OF LIABILITY, VENDOR'S TOTAL AGGREGATE LIABILITY SHALL BE LIMITED IN ALL CIRCUMSTANCES TO THE PRICE PAID BY PURCHASER TO VENDOR FOR THE SPECIFIC GOODS GIVING RISE TO THE CLAIM.

THE PARTIES EXPRESSLY ACKNOWLEDGE AND AGREE THAT THE LIMITATIONS OF LIABILITY SET FORTH IN THIS SECTION ARE A FUNDAMENTAL BASIS OF THE BARGAIN BETWEEN THE PARTIES, THAT THE PRICE OF THE GOODS REFLECTS SUCH ALLOCATION OF RISK, AND THAT SUCH LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

8. Indemnity

Purchaser shall be solely responsible for the installation, handling, transportation, storage, maintenance, operation, and use of the Goods, and for ensuring that the Goods are used in accordance with all applicable laws, regulations, codes, and industry standards.

Purchaser shall defend, indemnify, and hold harmless Vendor and its directors, officers, employees, agents, affiliates, and representatives from and against any and all claims, demands, actions, causes of action, damages, losses, liabilities, costs, and expenses (including, without limitation, legal fees on a solicitor and own client basis) of any nature whatsoever, whether direct or indirect, arising out of or in connection with:

- (a) the installation, handling, transportation, storage, maintenance, operation, or use of the Goods;
- (b) any misuse, abuse, improper application, or modification of the Goods;
- (c) any breach by Purchaser of the Agreement;
- (d) any negligence or willful misconduct of Purchaser or its employees, agents, contractors, or representatives; or
- (e) any failure by Purchaser to comply with applicable laws, regulations, or standards.

Without limiting the generality of the foregoing, where Goods are supplied, manufactured, or modified in accordance with Purchaser's specifications, drawings, designs, or instructions, Purchaser shall further defend, indemnify, and hold harmless Vendor from and against any and all claims alleging infringement of any patent, trademark, industrial design, copyright, or other intellectual property right, whether such claim is direct or indirect.

9. Security and Set-Off (PPSA – Alberta)

9.1 Security Interest

As continuing collateral security for the due payment and performance of all obligations of Purchaser to Vendor, Purchaser hereby grants, assigns, and transfers to Vendor a purchase money security interest ("PMSI") in the Goods and all present and after-acquired proceeds thereof, including, without limitation, accounts, inventory, chattel paper, instruments, and insurance proceeds, pursuant to the Personal Property Security Act (Alberta) (the "PPSA").

Purchaser agrees to execute and deliver such financing statements, renewals, and other documents, and to do all such acts and things, as Vendor may reasonably require to register, perfect, maintain, and enforce such security interest. Purchaser hereby irrevocably authorizes Vendor to register such financing statements and amendments thereto without further notice.

In the event of default by Purchaser, Vendor shall have all rights and remedies of a secured party under the PPSA, including, without limitation, the right to take possession of, seize, collect, or otherwise realize upon the Goods and any proceeds thereof, in addition to any other rights or remedies available at law or in equity.

9.2 Set-Off

Vendor shall have the right, at any time and from time to time, without notice to Purchaser, to set off, apply, or appropriate any amounts owing by Vendor to Purchaser against any indebtedness or liability of Purchaser to Vendor, whether arising under this Agreement or otherwise, and whether such indebtedness is present or future, absolute or contingent, matured or unmatured.

10. Governing Law and Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein, without regard to conflict of laws principles.

The parties irrevocably submit to the exclusive jurisdiction of the courts of the Province of Alberta and agree that any action, application, or proceeding arising out of or relating to this Agreement shall be commenced and maintained in such courts.

The parties expressly agree that the United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply to this Agreement or to any transaction contemplated hereby.

Purchaser attorns to the jurisdiction of such courts and waives any objection based on forum non conveniens or similar grounds.

11. Force Majeure

Vendor shall not be liable for any delay in performance or failure to perform any of its obligations under this Agreement where such delay or failure is due, in whole or in part, to any cause beyond the reasonable control of Vendor, including, without limitation, acts of God, severe weather conditions, fire, flood, explosion, war, terrorism, civil unrest, labour disputes, strikes, lockouts, shortages of labour or materials, delays in transportation, breakdown of equipment, utility failures, governmental actions, or compliance with any law, regulation, or order.

In the event of any such delay, the time for performance shall be extended for a period equal to the duration of the delay, and Vendor shall not be deemed to be in default or breach of the Agreement.

Vendor shall have the right, in its sole discretion, to allocate available inventory among its customers in such manner as it determines to be reasonable in the circumstances.

If any such delay continues for a prolonged period, Vendor shall have the right, upon written notice, to suspend or terminate the affected portion of the Agreement without liability.

12. Defined Terms

For the purposes of these Terms, the following definitions shall apply:

“Goods” means all goods, products, materials, equipment, and/or services to be supplied by Vendor to Purchaser as described in the applicable Order, including any replacements, components, or parts thereof.

“Purchaser” means the individual, corporation, partnership, joint venture, or other legal entity purchasing the Goods from Vendor, and includes its divisions, subsidiaries, affiliates, successors, and permitted assigns.

“Vendor” means North Star Distribution LTD., and includes its divisions, subsidiaries, affiliates, successors, and permitted assigns.

Unless the context otherwise requires, words importing the singular include the plural and vice versa, and words importing gender include all genders.

13. General Provisions

Vendor and Purchaser are independent contractors, and nothing contained in this Agreement shall be deemed to create any partnership, joint venture, agency, fiduciary, or employment relationship between the parties.

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous communications, negotiations, and agreements, whether written or oral.

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable, such provision shall be severed to the extent of such invalidity or

unenforceability, and the remaining provisions shall remain in full force and effect.

No failure or delay by Vendor in exercising any right, power, or remedy shall operate as a waiver thereof, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof. No waiver shall be effective unless in writing and signed by Vendor.

Purchaser shall not assign, transfer, or delegate this Agreement, in whole or in part, without the prior written consent of Vendor, which may be withheld in Vendor's sole discretion.

This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

Purchaser shall be responsible, at its own cost and risk, for obtaining any required export licenses, import permits, or other governmental approvals, and shall remain liable for payment for the Goods notwithstanding any failure to obtain such approvals.

All sales shall be governed by Incoterms® 2010, as modified by these Terms.