

## Conditions of Sale

1. The following conditions apply to all sales by Teknaform Inc. ("Teknaform") and supercede those contained in any previous quotations, orders and agreements, whether electronic, oral or written. They may only be amended or modified by a separate written document signed by Buyer and a representative of Teknaform who is specifically authorized to sign such document. No agent, salesperson, distributor or other person has the authority to modify the Conditions or to obligate Teknaform in any way that is not expressed in these Conditions of Sale. If there is any inconsistency between any other document or communication and these Conditions of Sale, then these Conditions of Sale shall govern.
2. Delivery dates are estimates and not guarantees and are based on conditions at the time of quotation. Teknaform shall not be liable for delays resulting from causes beyond its reasonable control such as strikes, slow-downs, fire, failure or delays of its usual sources of supply of raw materials, government orders or requests, floods, accidents, embargoes or other conditions that are beyond Teknaform's control. Teknaform shall not be liable for any indirect or consequential or special damages on account of such delay.
3. Prices quoted are subject to increase based on any future increase in the cost of materials and charges and increases shall become effective thirty (30) days after written notice thereof from Teknaform to the Buyer.
4. Prices quoted exclude any applicable sales taxes, excise taxes, customs duties, government and/or local taxes, all of which Buyer agrees to pay in addition to the quoted prices. If Buyer claims to be exempt from any such taxes or duties, Buyer shall provide Teknaform with a tax exemption certificate or other evidence of such exemption, in each case acceptable to the relevant taxing authority.
5. All orders are subject to Teknaform's approval and acceptance. Teknaform reserves the right to decline any order in its sole and arbitrary discretion.
6. Terms of shipment are F.O.B. (Incoterms 2000) Teknaform, unless otherwise indicated on Teknaform's order confirmation. Any separate charges for shipping and handling will be shown on Teknaform's invoice. Although risk of loss transfers to Buyer at the time of shipment, Teknaform retains title to Products until it has received full payment.
7. Teknaform will invoice Buyer upon shipment of Products. Terms of payment are net 30 days or as otherwise indicated on Teknaform's order confirmation. Unpaid balances bear interest at the lesser of 12.0% per annum calculated and compounded monthly or the maximum rate permitted by applicable law.
8. Teknaform may grant credit to Buyer on such terms as Teknaform, in its sole and arbitrary discretion, may determine. Teknaform reserves the right to discontinue deliveries to Buyer or cancel all or any part of any order if payment on any shipment is delayed or if the amount of credit granted is exceeded. Teknaform reserves the right, even after partial payment on account of an order, to require that Buyer provide satisfactory security for due performance of its obligations. Buyer's refusal to furnish such security will entitle Teknaform, upon fifteen (15) days notice to Buyer, to suspend shipments or cancel any unfilled order without prejudice to any claim for damages to which Teknaform may be entitled.

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9. If Teknaform is unable to ship a complete order, Teknaform reserves the right to make partial shipments and to invoice for such partial shipments. Teknaform will endeavour to fill back orders within a commercially reasonable period of time and on the same prices and terms applicable to the original order.

10. Products supplied by Teknaform may be subject to commercial variations in material and production operations incident to the processes employed in manufacturing. Teknaform shall not be liable to Buyer for any such variations, nor for any effects caused by the sun or other atmospheric or weather conditions or for any damage or wear to Products caused by unusual operating conditions, accidents, abuse, misuse, neglect, unauthorized alteration, repairs by other parties, or failure to install or use Product in accordance with Teknaform's instructions or industry standards.

11. Products manufactured by Teknaform are warranted to be free of defect in material and workmanship for a period of six (6) months from the date of shipment. Any Products which are sold by, but not manufactured by, Teknaform are subject to any warranty provided by the manufacturer of such Products and are not warranted by Teknaform. The warranty in respect of Products manufactured by Teknaform is the only warranty applicable to Products supplied by Teknaform to Buyer and all other warranties, express or implied, including but not limited to any warranty of merchantability or fitness for a particular purpose are hereby excluded.

12. Teknaform's liability for defective work or material shall be limited to replacing or repairing defective Products or refunding the purchase price for the Product in question, at Teknaform's option. Buyer shall have no other remedy arising from or in connection with the agreement between Buyer and Teknaform. In no event shall Teknaform be liable for special, indirect or consequential damages even if it has been notified of the possibility of such damages nor shall Teknaform's liability exceed the price applicable to the Product or part thereof which gives rise to the claim.

13. Buyer shall immediately notify Teknaform of any apparent defect in Products sold by Teknaform, shall provide Teknaform with all information available to Buyer regarding the alleged defect and shall co-operate with and assist Teknaform in investigating any apparent defect.

14. Notwithstanding any other condition herein, Buyer shall not ship and Teknaform will not accept the return of any Product unless such return has previously been authorized in writing by Teknaform and Buyer has complied with Teknaform's shipping and return policies then in effect.

15. The Buyer's purchase order, Teknaform's confirmation and these Conditions of Sale constitute the final and complete agreement between the parties and supersede any prior or other agreements, discussions, communications and understandings between the parties with respect to the subject matter of such agreement. If any provision of these Conditions is held to be invalid or unenforceable, then such provision may be severed from these Conditions and the remaining provisions shall remain in full force and effect.

16. Unless otherwise specifically provided for in Teknaform's order confirmation, all prices and other monetary amounts are expressed in terms of lawful money of Canada.

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17. The contract between Buyer and Teknaform including, but not limited to, these Conditions, shall enure to the benefit of and bind the successors and assigns of Buyer and Teknaform.
18. The contract between the Buyer and Teknaform including, but not limited to, these Conditions, shall be governed by and construed in accordance with the laws of the Province of Ontario, Canada and the parties attorn to the jurisdiction of the courts of Province of Ontario to hear any action or proceeding in connection with such contract.
19. Teknaform's waiver of any provision of these Conditions on any one occasion shall not be deemed to be a waiver of such provision on any other occasion or of any other provision contained herein.
20. All orders for Product shall become binding upon Buyer when Teknaform issues its order confirmation. If Buyer so requests it, Teknaform may, in its sole and arbitrary discretion, agree to cancel part or all of any order on such terms and Teknaform, in its sole and arbitrary discretion, may deem appropriate. If Product has already been shipped, Buyer shall be responsible for returning Product to Teknaform at Buyer's own risk and expense in accordance with Teknaform's shipping policy then in effect and Buyer shall be liable to pay Teknaform's then current restocking fee.
21. Teknaform shall be entitled to and Buyer shall pay upon demand, any legal fees or other costs incurred by Teknaform in connection with collecting any monies owing by Buyer or otherwise enforcing any of Teknaform's rights hereunder.