



**SENIOR FLEXONICS CANADA (SFC) STANDARD TERMS AND CONDITIONS
(SENIOR OPERATIONS (CANADA) LIMITED)**

1.1 The following terms and conditions are an integral part of the offer as made on the face of this quotation/order. Any deviations must be agreed to by Senior Operations (Canada) Limited ("SFC") in writing.

Pricing

2.1 All prices are subject to change without notice. All prices are tax extra. GST, HST, Provincial Tax or any other applicable taxes are not included. Prices are FOB SFC's manufacturing location unless otherwise quoted in writing. Incorrect prices due to calculation or human error will not be honoured and will be corrected at the earliest possible date.

2.2 For orders that have ship date requests that exceed three (3) months, SFC reserves the right to adjust pricing to reflect changing market conditions and/or storage fees.

Approval of credit

3.1 Shipments and deliveries are subject to credit approval by SFC. Terms of payment shall be effective from the date of invoice and/or as detailed on the face of this quotation/order. Prices quoted are in Canadian dollars unless stated otherwise.

Payment terms / Interest on late payments

4.1 Unless otherwise agreed in writing, payment terms are Net 30 Days. Invoices issued to cover "Prepaid Freight" are due and payable on terms of Net 7 Days.

4.2 SFC shall impose a finance charge of 1.5% per month on all unpaid balances beyond agreed terms.

4.3 SFC reserves the right to suspend or cancel further orders and/or deliveries and impose a lien in case an invoice remains unpaid after the due date.

4.4 For orders over \$100,000, a progress payment is required. 40% of the total order value will be invoiced after receipt of order and will be due upon receipt. 30% will be due upon purchase and receipt of major materials with payment due upon invoicing. The balance of the order will be invoiced upon shipment, due Net 30 Days.

4.5 SFC institutes a minimum order value of \$150.00 (excluding taxes) for all order placements.

4.6 If an order is cancelled, SFC reserves the right to charge for all costs incurred in the cancellation including, without limitation, charges applicable to return of products, unabsorbed overhead and lost profit.

4.7 At the exclusive discretion of SFC, cancellation charges are as follows:

After order placement prior to drawing submittal: 10%

After drawing submittal: 30%

After release to production: 50% plus material, labour, and overhead to date.

4.8 Invoice price will be adjusted if the exchange rate fluctuation from the time of order to the time of invoice is greater than 2%.

Point of sale

5.1 Unless otherwise specified on the face of this quotation/order, all products are delivered Ex-Works SFC's facility, freight charges collect. Transfer of title is in accordance with International Chamber of Commerce Terms.

5.2 SFC reserves the option to subcontract portions of fabrication without notice and acceptance by the purchaser.

Limitation of liability

6.1 Damage claims must be filed within 7 days of receipt of products at site. SFC will have no liability for damage, shortage, or loss caused by acts of omission of the carrier or by other causes beyond SFC's reasonable control. Any damaged/defective products will be held by the purchaser for disposal instructions by SFC.

6.2 SFC's maximum liability shall be to repair or replace damaged/defective products, or to allow credit in respect to the products at SFC's sole option. Such liabilities shall be limited to the value of the products supplied by SFC.

6.3 Under no circumstances shall SFC be liable for consequential, incidental or other indirect or special damages or losses, including but not limited to damage to third party property, loss of profits, loss of goodwill, loss of business opportunity, loss of use of plant or equipment, loss of executive or employee time, personal injury or death.

Warranty

7.1 The following warranty is given to purchaser only and to the exclusion of any other warranty or condition either expressed or implied.

7.2 All products/services provided by SFC are warranted for one (1) year after system startup or eighteen (18) months after shipment, whichever occurs first. The warranty covers defects in workmanship, material, and material non-conformance to specifications as demonstrated by the inspection and testing protocol in use by SFC. SFC at its sole option will either repair or replace any supplied defective products. The effects of corrosion, erosion, aging, normal wear, or negligence, incidental or consequential damages are specifically excluded from the warranty. All products must be installed in strict accordance with the installation instructions. Failure to comply with installation instructions will nullify the warranty.

7.3 Notwithstanding any discussions between the purchaser and SFC, SFC does not warrant the use of its products for any particular purpose and any reliance on SFC's skill or judgment is done at the sole risk of the purchaser. Further, notwithstanding any usage of trade, SFC does not warrant its products as being fit for a particular purpose.

7.4 All warranty claims must be made in writing. Claims made by phone must be confirmed in writing within 10 days.

7.5 All removal, reinstallation and freight costs to and from SFC are excluded from warranty coverage.

7.6 The warranty on products repaired shall not be extended beyond the original warranty period.

7.7 The purchaser shall be responsible for the correct sizing, specifications, quantities, installation and suitability of all flex connectors, expansion joints, flanges, gaskets, bolting, victaulic clamps, anchors and pipe alignment guides so as to ensure the proper functioning of the products and to maintain full manufacturer's warranty.

Purchaser responsibilities

8.1 Design and specification responsibility for the piping or ducting systems (anchors, alignment, etc.) in which the products will be installed rests solely with the purchaser.

8.2 The purchaser is solely responsible for ensuring that the products purchased are reasonably fit for its intended purpose.

8.3 The purchaser is responsible for examining the products for defects within 7 days of receipt of the products. The purchaser is responsible for keeping records of such inspections and, in the absence of records to the contrary, the purchaser will be deemed to have examined the products and accepted that the products have met the required specifications and are of merchantable quality.

8.4 Warranty claims or alleged non-performance by SFC shall not affect the purchaser's duty to pay SFC in accordance with the terms of this quotation/order. Any additional costs to SFC of completing performance reasonably related to the purchaser's failure to fulfill its obligations will result in additional charges.

8.5 The purchaser shall and hereby agrees to indemnify, defend and hold harmless SFC and its subsidiaries, parents, partners, affiliates and each of their respective officers, directors and employees from and against any and all liability, claims, demands, damages, losses, suits, actions, costs and expenses (including without limitation, all attorney fees and disbursements on a full indemnity basis) of every nature and kind whatsoever resulting from or in any manner arising out of or in connection with or referable to any act or omission or default by the purchaser or any of the purchaser's customers. The purchaser shall and hereby agrees to promptly settle or cause the settlement of all claims for injuries or damages for which the purchaser or the purchaser's customers are responsible.

Taxes

9.1 Sales, use, and consumption taxes and duties on all products sold are the sole responsibility of the purchaser.

Specifications

10.1 All products furnished on this quotation/order by SFC or its suppliers are subject to SFC notice to purchaser of a change by SFC or its suppliers to manufacture such product to requested specifications.

Changes to orders

11.1 Changes and corresponding cost impacts must be agreed in writing prior to execution.

Delivery

12.1 SFC shall use commercially reasonable efforts to meet the schedule or date shown on the face of this quotation/order. However, SFC will not be liable for any delay or failure in the estimated delivery or shipment, or for any damages that may result to the purchaser from such delay.

Governing law, jurisdiction, venue

13.1 Disputes arising in connection with SFC's supply of products shall be governed by the laws of the Province of Ontario, without regard to conflicts of law.

13.2 Jurisdiction and venue for any disputes shall be in the appropriate court for Brampton, Ontario, Canada.

13.3 The purchaser expressly waives the right to have any dispute arising in connection with SFC's supply of products tried by a jury.

13.4 In the event of a civil action, the purchaser unconditionally agrees to participate in a private mediation within 180 days of commencing a proceeding. The costs of the mediation shall be split evenly by the parties, unless otherwise agreed at the time of the mediation.

Severability

14.1 In the case of partial or total invalidity of any of the foregoing clauses, all other terms shall remain in effect.

Revised January 2020