

TERMS AND CONDITIONS SUMMARY

The information contained in this document is the property of S.U.R. Quip Ltd. Except as specifically authorized in writing by S.U.R. Quip Ltd., the holder shall keep all information confidential and shall protect the same, in whole or in part, from disclosure and dissemination to all third parties.

PRICE: Canadian funds, DUTY AND TAXES extra if applicable.
FOB: **Point of Manufacturing.**

TERMS: Net 30 days on service and parts for established customers.
Should the value of this quote be greater than \$1,000.00, the terms of payment will be as follows:

45% Down with purchase order.
45% On delivery of equipment.
10% Balance net 30 days after installation if applicable.

NOTE: All terms are subject to credit approval and changed according to the specific rating.

DELIVERY: **To be determined** from receipt of written purchase order and deposit.

TITLE: Until the purchase price and all other amounts to be paid by the Buyer have been paid in full, the equipment referred to in the Quotation is and shall at all times be and remain the sole property of S.U.R. Quip Ltd., and the Buyer shall have no right, title or interest therein or thereto except as expressly set forth herein.

EQUIPMENT WARRANTY: The equipment sold hereunder is warranted to be free of defective material and workmanship for a period of 12 months.

NOTES: This Quotation is good for 30 days from date of issue.

Conditions of sale on the last page also form part of this quotation.

Buyer's (i.e. _____) acceptance of this quote _____, as amended from time to time, by executing and returning same to Seller (i.e. S.U.R. Quip Ltd.) within 30 days of its issuance constitutes the purchase and sale of the equipment referred to in this quote, and Buyer agrees to be bound by the terms & conditions hereof and hereby grants a security interest in all of the equipment supplied or to be supplied by this agreement and its proceeds until such unpaid balance remaining under this agreement has been paid in full. An authorized officer of the Buyer must sign this agreement.

As per,

For

Signature: _____

Date: _____

Title: _____

Name: _____

Bill MacLeod
S.U.R. Quip Ltd., GM

Must be an authorized office

PLEASE NOTE THAT THE TERMS & CONDITIONS PAGE ATTACHED TO THE EMAIL, IS AN OFFICIAL PART OF THE QUOTE ABOVE. PLEASE PRINT THE TERMS & CONDITIONS PAGE AND ATTACH IT TO THE QUOTE.

Detailed terms and Conditions of Sale

1. The acceptance of our tender includes the acceptance of the following terms and conditions. A contract will be deemed as being concluded only upon our receipt of written confirmation of the order. No departure from the terms of sale is to be made except upon written confirmation duly signed on behalf of both contracting parties.
2. Validity – Unless stated to the contrary, this tender is open for acceptance for a period of thirty days or such period as may be mutually agreed from the date of tender but we reserve the right to withdraw this tender at any time prior to acceptance. The goods are supplied in guidance with the specifications (if any) submitted to the Buyer in accordance to specifications in Sellers Quotation and any additions shall be the subject of an extra charge. Any parts not so specified will be in accordance with the Sellers printed catalogue or the catalogues of the Seller's suppliers (subject to any modifications made since publication). If the Seller adopts any changes in construction or design of the goods or the specifications thereof, the Buyer will accept the goods so changed in fulfillment of the order.
3. Performance – Any performance figures given by us are based upon our experience and are such as we expect to obtain on tests in our works. We shall be under no liability whatsoever, whether for damages or otherwise for failure to attain such figures unless we have specifically guaranteed and warranted such performance figures subject to the recognized tolerance applicable. Where performance or production figures are specified these are based on experience obtained during tests and the Seller will not be liable for failure to obtain equivalent results on any specific installation. **THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR OTHERWISE EXCEPT AS HEREIN EXPRESSLY SET FORTH.** If any modifications are required to meet performance specifications, the Seller reserves the right to make these modifications at its expense. If, in the Seller's sole judgment, equipment performance adjustments cannot readily or economically be made, Seller at its option may remove the equipment and refund all payments made by the Buyer.
4. Liability for Delay – Any times quoted for delivery are calculated from the date of the receipt by use of a written order to proceed and of all necessary information and drawings to enable us to put the work in hand. All such times are to be treated as estimates only, not involving us in any liability for failure to deliver within such time, unless otherwise specifically agreed in writing. Whether or not a time for delivery is quoted any such time for delivery shall be extended by a lack of instructions or information from you or by any industrial dispute or by any cause whatsoever beyond our reasonable control. All events of war or mobilization would entitle us to withdraw from this contract as well as any strikes, act or rebellion, civil commotion, force majeure, unreasonable difficulty or impossibility in procuring raw materials, accidents or damage at our works or our sub-contractors' works, unreasonable lack of shipping facilities, as well as to all other accidents or casualties which might impair either the fabrication at our suppliers & works or the dispatch thereof or which might give the supplier's works the rights not to effect delivery to us pursuant to their terms of delivery. In every such case we are released entirely from our liability to deliver and are not bound to place the order with any other sub-contractor or to use alternative means for the fulfillment of this contract. No penalties and no indemnification whatsoever for delayed delivery or non-delivery or fault and/or defective delivery may be brought against us.
5. Warranty – S.U.R. Quip Ltd. warrants to Buyer that products and any services furnished hereunder will be free from defects in material, workmanship and title and will be of the kind and quality specified in S.U.R. Quip Ltd. quotation. The foregoing shall apply only to failures to meet said warranties (excluding any defects in title) which appear within one year from the date of shipment hereunder; provided, however, that if Buyer, in the course of its regular and usual business, transfers title to or leases such products (including equipment incorporating such products) to a third party, such period shall run until one year from such transfer or lease or eighteen months from shipment by S.U.R. Quip Ltd., whichever occurs first. The warranties and remedies set forth herein are conditions upon (a) proper storage, installation, use and maintenance and conformance with any applicable recommendations of S.U.R. Quip Ltd. and (b) Buyer promptly notifying S.U.R. Quip Ltd. of any defects and, if required, promptly making the product available for correction. If any product or service fails to meet the foregoing warranties (except title), S.U.R. Quip Ltd. shall thereupon correct any such failure either, as its option, (i) by repairing any defective or damaged part or parts of the products, or (ii) by making available F.O.B. S.U.R. Quip Ltd. plant or other point of shipment, any necessary repair or replacement parts. Where a failure cannot be corrected by S.U.R. Quip Ltd's reasonable efforts, the parties will negotiate an equitable adjustment in price. The preceding paragraph sets forth the exclusive remedies for claims (except as to title) based on defect in or failure of products or services, whether claim is in contract or tort (including negligence and however instituted). Upon expiration of the warranty period, all such liability shall terminate. The foregoing warranties are exclusive and in lieu of all other warranties, whether written, oral, implied or statutory. No implied statutory warranty or merchantability or fitness for particular purpose shall apply. S.U.R. Quip Ltd. does not warrant any products or services of others which Buyer has designated.
6. Damages in Transit S.U.R. Quip Ltd. will not be liable for goods damaged in transit under any circumstance. Unless the Seller has specified in its quotation that it will arrange for shipment to the destination specified by the Buyer, the Buyer, will take delivery at the Seller's premises and will make proper provision for the transport or collection of the goods (and any spare parts and replacements) from the Seller's premises. If the Seller has agreed to arrange shipment or if the method of shipment has not been specified by the Buyer, the Seller will select the carrier which in its judgment is the most practical and the Seller will not be liable for any error in selection of carrier or method of shipment. Seller's responsibility for delivery ends upon release of the shipment to the carrier at the Seller's premises. Buyer shall be responsible for inspecting the goods promptly upon receiving them. Should a shortage occur or an item arrive in damaged condition the Buyer should not sign a receiving slip without first noting shortages or describing damages on the carrier way bill and should make claim against the carrier promptly.

7. Payments – Unless otherwise stated, prices are quoted in Canadian funds. F.O.B. truck at the Seller's premises in Surrey, B.C., including Canadian customs duties where applicable but excluding Federal or Provincial Sales or consumption taxes or any similar taxes, levies or duties. All prices quotations are strictly net cash against invoice unless otherwise stated. Unless otherwise stated all price quotations are good for 30 days from date of quotation. Seller reserves the right to correct errors in quotations. Standard boxing, crating and packaging for auto freight shipment is included in the price quotation. Costs of special packaging for rail, water, air or export shipment, unless specifically set out in the quotation, are extra. Accessories incidentally in photographs, drawings and other literature are not included in the price quotation unless otherwise states. Belt guards, chain guards, blower hoods, adaptors or other accessories are not included in the price quotation unless expressly stated herein. Pro rata payments shall become due as shipments are made. If shipments are delayed by Buyer, payments shall become due on the date when S.U.R. Quip Ltd. is prepared to make shipment. If the work to be performed hereunder is delayed by the buyer, payments shall be made based on the purchase price and the percentage of completion. Equipment held for the buyer shall be at the risk and expense of the Buyer. If the financial condition of the buyer at any time does not, in the judgment of S.U.R. Quip Ltd. justify continuance of the work to be performed by S.U.R. Quip Ltd. hereunder on the terms of payment agreed upon, S.U.R. Quip Ltd. may re-quire full or partial payment in advance or shall be entitled to cancel any order then outstanding and shall receive reimbursement for its reasonable and proper cancellation charges. In the event of bankruptcy or insolvency of Buyer or in the event any proceeding is brought against buyer, voluntarily or involuntarily, under the bankruptcy or any insolvency laws, S.U.R. Quip Ltd. shall be entitled to cancel any order then outstanding at any time during the period allowed for filing claims against the estate and shall receive reimbursement for its reasonable and proper cancellation charges. The rights of S.U.R. Quip Ltd. under this paragraph are cumulative and in addition to all rights available to S.U.R. Quip at law or in equity.

8. Sales and Similar Taxes – S.U.R. Quip Ltd. prices do not include sales, use, excise or similar taxes. Consequently, in addition to the price specified herein, the amount of any present or future sales, use, excise or other similar tax applicable to the sale or use of the equipment hereunder shall be paid by buyer, or in lieu thereof Buyer shall provide S.U.R. Quip Ltd. with a tax-exemption certificate acceptable to the taxing authorities.

9. S.U.R. Quip Ltd. manufactures to CSA and ETL specification which are some of the best standards in the world. All other standards, including safety, guarding, walkways, operation, electrical, mechanical, etc are the responsibility of the buyer to meet global, national and local codes; wit no tacit agreement of S.U.R. Quip Ltd. obligations in these regards. S.U.R. Quip Ltd. explicitly states we are not responsible for any codes aside CSA and ETL for our pans with exclusion found in section 10 below.

10. Power and Plant Connection: S.U.R. Quip Ltd. unless otherwise explicitly stated in contract, takes no responsibility for the connection of equipment to the customer' facility in regards to connection of power, power capacity, power factor, Grounding, harmonics, peak amp draw, or any other connection detail. It is the customers' responsibility to assure the facilities supply to S.U.R. Quip Ltd. equipment is clean, properly sized, and properly protected. Damage to equipment from poor system grounds, improper grounding, harmonics, power system brown outs, plant capacitors, or any power system related problem will not be covered under warranty.

11. Unless explicitly stated in contract, S.U.R. Quip Ltd. is not responsible for plant network connections, network security issues, or any virus/hacker attack related issues. S.U.R. Quip Ltd. reserves the right to use secure wireless technologies while starting up equipment.

12. INSTALLATION, START-UP AND FIELD SERVICE - Supervision by the Seller's technicians of equipment installation, start-up and operation is available at per diem rates, but is not included in the price unless specifically stated in the price quotation. When field start-up service is included in the quotation the maximum number of 8 hours working days is stated. Additional charges will be made for time used exceeding the number of days quoted, or overtime beyond an 8 hour day. Applicable setting plans and writing diagrams are included with the goods and should be consulted before start-up of machinery. All wiring, piping and setting of machines shall be performed by the Buyer's mechanics or contractors at the Buyer's expense and should be done prior to arrival of Seller's serviceman to maximize benefits from the serviceman's call. The design and construction of equipment foundations shall be the responsibility of the Buyer. Foundations must be constructed to prevent equipment distortion during operation. Price quotations do not include structural changes required to the Buyer's premises for the installation of machinery or equipment included in the goods or parts thereof.

13. LIMITS ON SELLER'S LIABILITY

The Seller will not be responsible for:

- (a) the Buyer shall not have paid in full all invoices for goods supplied by the Seller;
- (b) the Seller's representatives are denied full and free right of access to the goods;
- (c) the Buyer permits persons other than the Seller or those approved or authorized by the Seller to effect any replacement of parts, maintenance adjustments or repairs to the goods;
- (d) the Buyer has not properly maintained the goods in accordance with instructions, pamphlets or directions given or issued by the Seller from time to time; or
- (e) the Buyer uses any spare parts or replacements not manufactured by or on behalf of the Seller and supplied by it or fails to follow the Seller's or the manufacturer's instructions for the use of same.

14. CEASING OF SELLER'S LIABILITY

The Seller's liability under clause 9 of these conditions will cease if:

- (a) the Buyer shall not have paid in full all invoices for goods supplied by the Seller;
- (b) the Seller's representatives are denied full and free right of access to the goods;
- (c) the Buyer permits persons other than the Seller or those approved or authorized by the Seller to effect any replacement of parts, maintenance adjustments or repairs to the goods;
- (d) the Buyer has not properly maintained the goods in accordance with instructions pamphlets or directions given or issued by the Seller from time to time; or
- (e) the buyer uses any spare parts or replacements not manufactured by or on behalf of the Seller and supplied by it or fails to follow the Seller's or the manufacturer's instructions for the use of same.

15. CANCELLATION CHARGES

No accepted purchase order may be modified except by written consent of the Seller, nor may it be cancelled after five days of issuance of the order except by prior payment to the Seller of the following sums as liquidated damages therefore; (1) If cancellation is prior to commencement of engineering or production and prior to the assumption of any obligation by the Seller for any materials or component parts, an amount equal to the down payment; (2) If cancellation is after the commencement of engineering or production or after the assumption of any obligations by the Seller for any materials or component parts, a sum equal to the total of the expenses incurred to the date of cancellation for labor, materials and any charges made to the Seller by its suppliers for cancellation, plus an amount equal to the down payment. All charges and expenses shall be determined by the Seller.

16. DEFAULTS OR BREACHES BY BUYER

If the buyer shall make default in or commit any breach of any of its obligations to the Seller, or if any distress or execution is levied against the Buyer, its property or assets, or if the Buyer makes or offers to make any arrangement or composition with creditors or commits any act of bankruptcy, or if any petition or receiving order in bankruptcy is presented or made against it, or if the buyer is a limited company and any resolution or petition to wind up such company's business is passed or presented otherwise than for reconstruction or amalgamation, or if a receiver or receiver manager of such company's undertaking, property, assets or business or any part thereof is appointed, the Seller shall have the right forthwith to cancel any order then subsisting and, upon written notice of such cancellation being mailed by it to the Buyer's last known address, any subsisting order will be deemed to have been cancelled without prejudice to any claim or right the Seller might otherwise make or exercise.

17. SUSPENSION OF DELIVERY

If default is made by the Buyer in paying any sum due under any order as when it becomes due, the Seller shall have the right either to suspend all further deliveries until the default is made good or to cancel the order so far as any goods remain to be delivered there under.

18. INDEMNITY BY BUYER INFRINGEMENT

The Buyer will indemnify the Seller against all damages, penalties, costs and expenses to which the Seller may become liable if any work done in accordance with the Buyer's specification involves any infringement of a registered design or patent.