TERMS AND CONDITIONS OF SALE

Applies when Genrep Ltd./Ltée sells goods or services to a Purchaser

These Terms and Conditions of Sale ("Terms") apply to every sale of goods and services by Genrep Ltd./Ltée ("Genrep"). By accepting delivery of goods or services, or by failing to deliver written objection within five (5) days of receipt of these Terms, the Purchaser is deemed to have full knowledge of and to be bound by these Terms.

> References to Genrep or the Purchaser include their respective affiliates, directors, officers, employees, agents, subcontractors and representatives. Words in the singular include the plural and vice versa.

CHAPTER I — GENERAL PROVISIONS

Art. 1 ORDER OF PRECEDENCE

In the event of any conflict or inconsistency between these Terms and any terms contained in the Purchaser's order or any other document issued by the Purchaser, these Terms shall prevail, regardless of whether any such document has been acknowledged or accepted by Genrep.

No waiver, alteration or modification of these Terms shall be binding upon Genrep unless made in writing and signed by a duly authorized representative of Genrep.

CHAPTER II — QUOTATIONS

Art. 2 VALIDITY

Unless otherwise stated, a Genrep quotation is null and void if not accepted by the Purchaser before the end of the current calendar month. Genrep reserves the right to withdraw its quotation at any time prior to acceptance.

Art. 3 ACCEPTANCE AND CONFIRMATION

Acceptance of a quotation by the Purchaser does not constitute a binding contract unless and until Genrep confirms the order in writing. Genrep reserves the right to decline any order for reasons of bad credit, unreasonable quantity, or unreasonable shipment requirements.

Acceptance must be accompanied by information sufficient, in Genrep's opinion, to allow immediate processing. If such information is delayed, Genrep reserves the right to amend quoted prices to reflect any cost increases incurred between acceptance and receipt of such information.

CHAPTER III — PRODUCT DESCRIPTION & CHANGES

Art. 4 SCOPE OF CONTRACT

Any contract arising from the Purchaser's acceptance of a quotation (the "Contract") is limited to the goods and services expressly described therein. Catalogues, price lists, drawings, specifications, weights, dimensions and other marketing materials are approximations only and do not form part of the Contract.

Art. 5 DRAWINGS AND APPROVAL

Drawings submitted by Genrep for Purchaser review must be returned within fourteen (14) days of receipt. Drawings returned marked "Reviewed" or "Reviewed as Modified" are deemed approved, and Genrep may proceed with manufacturing accordingly.

Genrep will not proceed with ordering or manufacturing without all necessary approved information and drawings.

Art. 6 CHANGES AND EXTRAS

The Purchaser may request changes or extras in writing after drawings have been approved, subject to the following:

(a) Genrep may reject changes it deems impractical or that would affect its warranty obligations.

(b) Equitable adjustments to price, delivery date or other Contract terms may apply. Genrep will notify the Purchaser in writing, and will not be obligated to proceed without written agreement on such adjustments.

Changes and Extras will not be supplied unless agreed upon in writing.

Art. 7 TESTING

Goods are inspected and tested before delivery where practical. Tests requested beyond those specified in the Contract, or tests conducted in the Purchaser's presence, will be charged as an extra. Genrep will provide seven (7) days' notice of scheduled tests. If the Purchaser fails to attend, tests will proceed in the Purchaser's absence and will be deemed to have been made in its presence.

CHAPTER IV — PRICING & TAXES

Art. 8 PRICE BASIS

All quoted prices are based on current exchange rates, duties, tariffs, taxes and costs of manufacture at the time of quotation. Unless otherwise stated, prices are subject to change without notice until acceptance of goods or services by the Purchaser, or in the event that costs change due to factors outside Genrep's control. Prices are subject to correction for error.

Unless otherwise stated, all prices are free on board (f.o.b.) factory and include domestic packing. Genrep will select customary transportation methods at the Purchaser's expense. Special transportation methods will be arranged upon request and at the Purchaser's additional expense.

Art. 9 TAXES

Prices do not include GST, HST, Provincial, Municipal or any other sales, use, value-added or similar taxes. The Purchaser is solely responsible for all applicable taxes in addition to the quoted price.

CHAPTER V — DELIVERY & STORAGE

Art. 10 DELIVERY SCHEDULES

Delivery schedules are approximate and depend on prevailing market conditions at the time of quotation and order acceptance, as well as the timely receipt of all necessary information from the Purchaser.

Genrep may extend delivery schedules or, at its option, cancel an order in full or in part without liability beyond returning any unearned deposit or prepayment.

If Genrep cannot supply the total quantity specified, it may allocate supply among customers on a basis it deems fair and practical, without liability for any resulting failure of performance.

Art. 11 STORAGE CHARGES

The Purchaser must authorize shipment within five (5) business days of notification that goods are ready. If shipment is delayed or refused by the Purchaser, the Purchaser shall arrange and pay for suitable storage, protection and insurance.

If Genrep arranges storage on the Purchaser’s behalf, Genrep reserves the right to invoice the greater of: (a) all associated storage charges, including insurance and demurrage; or (b) a minimum of 1.5% of the Contract value per month. If shipment has not been authorized within fourteen (14) days of the initial shipment notification, Genrep reserves the right to either invoice

the goods to the Purchaser or cancel the order and reallocate the goods, at Genrep's sole discretion.

CHAPTER VI — SHIPMENT, TITLE & RISK

Art. 12 RESPONSIBILITY IN TRANSIT

Except as stated in the warranty provisions, Genrep's responsibility ceases upon pick-up by the carrier. Claims for loss or damage in transit shall be made against the carrier only. Genrep will provide reasonable assistance in filing such claims if notified immediately. Genrep recommends customer arrange for insurance for all shipments.

Claims for shortages against the packing slip must be made in writing within ten (10) days of receipt. Failure to do so creates a conclusive presumption that goods were delivered in their entirety.

Genrep reserves the right to make partial shipments and submit invoices for each partial shipment.

Art. 13 TRANSFER OF TITLE

Title to goods passes to the Purchaser only upon full payment. Until then, title and ownership remain with Genrep, and Genrep retains all rights of property. Risk of loss passes to the Purchaser at point of shipment from Genrep's warehouse or shipping location.

Goods shall remain personal or moveable property regardless of their mode of attachment to realty. In the event of payment default, Genrep shall provide written notice to the Purchaser, allowing five (5) business days to remedy the default before Genrep exercises its right to enter the Purchaser's premises to recover the goods. Genrep may retain *all costs incurred in connection with the transaction plus* 20% of the contract value for liquidated damages, without prejudice to any further remedies.

The Purchaser is responsible for maintaining appropriate insurance coverage for the goods from the point of shipment.

CHAPTER VII — WARRANTY

Art. 14 STANDARD WARRANTY

Goods sold by Genrep are warranted against defects in material and workmanship under normal use and service for a period of twelve (12) months from the date of shipment, unless otherwise stipulated in writing. For components not manufactured by Genrep and for applicable sub components of items manufactured by Genrep, the original manufacturer's warranty applies to the extent assignable.

Art. 15 WARRANTY OBLIGATIONS

Genrep's obligation under warranty is limited to the repair, replacement, or issuance of a credit toward future purchases, at Genrep's sole discretion, for defective parts f.o.b. point of shipment, provided that:

(a) Written notice of the defect is given to Genrep within the warranty period.

(b) Defective parts are returned to Genrep (or its designated location) properly packed and with freight prepaid by the Purchaser.

(c) Inspection confirms the claim is valid under these Terms.

The Purchaser assumes all costs for dismantling, removal, re-installation and freight. Replacement parts carry the same warranty obligations. Defective parts replaced by Genrep become Genrep's property.

Art. 16 WARRANTY EXCLUSIONS

Genrep does not assume liability for installation labour, consequential or incidental damages, including lost profits and liquidated damages. All other warranties, whether legal, express or implied, including any warranty of merchantability, fitness for a particular purpose, or non-infringement, are expressly excluded.

The warranty is void if:

(a) The goods are altered or repaired by persons not authorized by Genrep.

(b) The Purchaser fails to install, operate or use the goods in a safe and reasonable manner in accordance with manufacturer's instructions.

(c) The goods are modified or altered at the request of the Purchaser, in which case Genrep expressly excludes all warranty obligations with respect to such modifications and any resulting effects on the goods.

> Repair or replacement deliveries do not interrupt or extend the original warranty period.

Art. 17 PURCHASER'S RESPONSIBILITY FOR SUITABILITY

The Purchaser assumes full responsibility for ensuring that goods ordered are sufficient and suitable for its intended purposes. Genrep makes no warranty, condition or representation regarding suitability for any specific use or application.

CHAPTER VIII — LIABILITY & FORCE MAJEURE

Art. 18 LIMITATION OF LIABILITY

Genrep shall not be liable for any damages, losses or claims of any kind, contractual or delictual, consequential or incidental, direct or indirect, arising out of or in connection with the sale, manufacture, repair, handling, installation, possession, use, operation or dismantling of goods, except where applicable regulatory or statutory requirements expressly prohibit such exclusion.

In no event shall Genrep's total liability under any contract exceed the value of the contract under which the claim arises.

Performance figures provided by Genrep are general estimates only, subject to recognized tolerances. Genrep shall not be liable for failure to attain any such figures unless expressly guaranteed in writing.

Art. 19 FORCE MAJEURE

Genrep shall not be liable for delays or failures caused by circumstances beyond its reasonable control, including but not limited to acts of God, war, insurrection, civil or military authority, fire, flood, weather, transportation delays, material shortages, equipment breakdown, sabotage, labour disputes, faulty castings or supplier failures.

Acceptance of delivery by the Purchaser constitutes a waiver of all claims for loss or damage due to any such delay.

CHAPTER IX — PAYMENT & CANCELLATION

Art. 20 PAYMENT TERMS

All prices are in Canadian dollars unless otherwise specified and are payable to Genrep Ltd./Ltée at 70 Innovation, Dundas, ON L9H 7P3. Prices are strictly net with no cash discounts unless otherwise stated.

Invoices on open account are payable within thirty (30) days of invoice date. Overdue payments will bear interest at the rate of eighteen percent (18%) per annum. This interest charge does not constitute an extension of payment terms.

Genrep is entitled to invoice goods as shipped, whether in whole or in part, and may progress-bill including any down-payments or hold-backs.

Art. 21 DEFAULT BY PURCHASER

The following constitute an “Act of Default” by the Purchaser:

(i) Insolvency or bankruptcy proceedings, voluntary or involuntary.

(ii) Appointment of a trustee or receiver in bankruptcy.

(iii) Reasonable grounds for Genrep to believe the Purchaser cannot meet its obligations.

(iv) Acts intended to defraud the Purchaser's creditors.

(v) Change of corporate control without Genrep's prior written approval.

(vi) Change of corporate name, merger, acquisition or divestiture without Genrep's prior written approval.

(vii) Failure to pay invoices in accordance with these Terms.

(viii) Breach of any other provision of these Terms.

Upon any Act of Default, Genrep may demand immediate advance payment, surety or an irrevocable letter of credit. If the Purchaser fails to satisfy such demand within five (5) days, Genrep may cancel all unfilled orders and declare the full account immediately due and payable.

Art. 22 CANCELLATION

Orders accepted by Genrep may not be cancelled by the Purchaser without Genrep's prior written consent. Where cancellation is authorized, Genrep reserves the right to charge reasonable costs including labour, materials purchased, overhead, profit and supplier cancellation charges.

CHAPTER X — INSTALLATION & RETURNED GOODS

Art. 23 INSTALLATION

Unless otherwise expressly stipulated, goods shall be installed by and at the risk and expense of the Purchaser. If Genrep is engaged to supervise installation, its responsibility is limited to exercising the degree of skill customary in the trade for installations of the same type. The Purchaser remains responsible for all other aspects of the work, including compliance with local regulations.

Art. 24 RETURNED GOODS

No goods may be returned without Genrep's prior written authorization. Genrep reserves the right to decline returns or to accept them subject to a handling/restocking charge. Credits will be adjusted based on the condition of goods upon arrival at Genrep's warehouse.

Returns are accepted only from the original Purchaser, and only for goods that are:

(a) In original condition and original packaging.

(b) Shipped freight prepaid.

(c) Standard materials regularly maintained in Genrep's stock.

Art. 25 RESALE OF PRODUCT

The Purchaser (other than a Genrep-appointed Dealer) shall not resell any goods under Genrep's trademarks, trade names or brands. Any resale by a non-Dealer Purchaser is entirely at that Purchaser's own risk and without benefit of any Genrep warranty or representation.

CHAPTER XI — GENERAL LEGAL PROVISIONS

Art. 26 ENTIRE AGREEMENT

Genrep's written confirmation of an order constitutes the complete agreement between the parties, subject to these Terms, and supersedes all prior quotations, orders and agreements.

Art. 27 WAIVER

Failure by Genrep to enforce any provision or exercise any right under these Terms shall not constitute a waiver or relinquishment of such provision or right, and shall not limit Genrep's right to enforce strict compliance at a later date.

Art. 28 SEVERABILITY

If any provision of these Terms is held invalid, unenforceable or contrary to public policy by a Canadian court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

Art. 29 GOVERNING LAW AND JURISDICTION

Outside Quebec: These Terms are governed by the laws of the Province of Ontario. The parties consent to the exclusive jurisdiction of the Courts of Ontario (Brampton). Genrep may, at its sole discretion, also commence proceedings in any jurisdiction where the Purchaser conducts business or where the goods are located.

Within Québec: These Terms are governed by the laws of the Province of Québec, and apply only to the extent required by applicable Québec legislation. The parties consent to the exclusive jurisdiction of the Courts of Québec – District of Montréal. Genrep may, at its sole discretion, also commence proceedings in any jurisdiction where the Purchaser conducts business or where the goods are located.

Art. 30 LANGUAGE

The parties acknowledge that they have expressly requested these Terms and all related documents be drawn in English.

Les parties aux présentes reconnaissent qu'ils ont expressément exigé que les présentes, ainsi que les documents qui s'y rattachent, soient rédigés en anglais, et s'en déclarent satisfaits.

Art. 31 CHARACTERISATION OF SERVICE WORK — CONSTRUCTION ACT, R.S.O. 1990

Where Genrep provides maintenance, repair, inspection, diagnostic, monitoring, testing, commissioning, or similar services in respect of existing equipment or systems, the parties agree that such services are intended to be stand-alone operational services and not part of an improvement to real property within the meaning of the Construction Act, R.S.O. 1990, c. C.30, as amended, or any equivalent provincial legislation.

For greater certainty, where the scope of work is limited to servicing, testing, or maintaining existing equipment without the supply and permanent installation of new equipment or materials forming part of the property, such work is not intended to give rise to construction lien rights, holdback obligations, or trust obligations under applicable construction lien legislation, to the extent permitted by law.

Where a Contract includes both service activities and the supply and installation of equipment or materials forming part of a permanent improvement, the parties agree that such installation work shall be treated as a separate scope of work and may be governed by a separate agreement or purchase order.

It is the Purchaser's responsibility to notify Genrep in writing, prior to commencement of work, if the Purchaser believes the scope of work is subject to the Construction Act or any equivalent provincial legislation. Failure to provide such notice shall be deemed confirmation by the Purchaser that the work is not subject to construction lien legislation.

Nothing in this Article shall be interpreted as limiting or excluding any rights or obligations that cannot be waived or contracted out of under applicable law.

Art. 32 MAINTENANCE OF NON-OWNED EQUIPMENT

Where Genrep performs maintenance, repair or service on equipment not owned by Genrep, Genrep's liability is limited to damages directly caused by Genrep's own proven negligence during the performance of the work. Genrep assumes no responsibility for pre-existing conditions, latent defects, or deterioration resulting from the age, wear, or prior use of the equipment.

The Purchaser is responsible for disclosing the full service history, age, and known condition of equipment prior to Genrep commencing work. Failure to disclose material information releases Genrep from any liability arising from such undisclosed conditions.

Where equipment incorporates components supplied or specified by a third party, Genrep's liability is limited to the work performed by Genrep and does not extend to defects, failures or losses attributable to such third-party components. The original manufacturer's or supplier's terms and warranties apply to those components to the extent available and assignable.

The Purchaser is responsible for maintaining adequate insurance on non-owned equipment in Genrep's care during the performance of services.

Art. 33 RENTAL, MAINTENANCE AND PRODUCT-SPECIFIC AGREEMENTS

Where Genrep provides equipment on a rental basis, maintenance services, or where a contract involves product-specific terms and conditions, such arrangements shall be governed by Genrep's applicable Rental Agreement, Maintenance Agreement or Product-Specific Terms, as the case may be, which are incorporated by reference and form part of the contract between the parties. In the event of any conflict between these Terms and such agreements, the Rental Agreement, Maintenance Agreement or Product-Specific Terms shall prevail with respect to the subject matter they govern.

Art. 34 INTELLECTUAL PROPERTY AND CONFIDENTIALITY

All drawings, designs, specifications, software, technical data and other proprietary information provided by Genrep to the Purchaser remain the exclusive property of Genrep. The Purchaser shall not reproduce, disclose or use such information for any purpose other than operating or maintaining the goods supplied under the Contract, without Genrep's prior written consent.

Where the Purchaser provides drawings, specifications or other proprietary information to Genrep for the purpose of fulfilling a Contract, such information remains the Purchaser's property. Genrep shall not disclose it to third parties without the Purchaser's prior written consent.

Any information shared between the parties that is confidential must be marked or designated "Confidential" or "Proprietary" at the time of disclosure.

Where either party shares third-party confidential or proprietary information in the course of business, such information shall be subject to the same confidentiality obligations as the disclosing party's own confidential information.

The parties agree to keep the terms, pricing and technical content of any Contract confidential and not to disclose such information to third parties without the other party's prior written consent. This obligation survives the completion or termination of the Contract for a period of five (5) years.

Art. 35 TERMINATION AND NON-CANCELLABLE ORDERS

All orders accepted by Genrep are non-cancellable by the Purchaser. The Purchaser has no right to cancel, suspend or modify any order once accepted by Genrep, regardless of circumstance.

Genrep reserves the right to terminate any Contract immediately upon written notice if the Purchaser commits an Act of Default as defined in Art. 21, or if continued performance becomes commercially impractical due to circumstances beyond Genrep's reasonable control. Upon termination, all amounts owing to Genrep become immediately due and payable, including costs incurred to the date of termination for materials, labour, overhead, committed supplier costs and a reasonable allowance for profit.

Notwithstanding the above, where Genrep agrees in writing to accept a cancellation at its sole discretion, such acceptance shall not be construed as a waiver of this Article or as establishing any right of cancellation for future orders.