

Eddyfi NDT Inc. – General Sales Terms and Conditions

Your attention is drawn in particular to the provisions of clause 10, 12 and 13

- SELLER:** The seller shall be Eddyfi NDT Inc., a company incorporated under the Canada Business Corporations Act ("EDDYFI"). "Products" refers to Eddyfi, Inuktun, M2M, Silverwing, Teletest and/or TSC brand products.
- VALIDITY:** Unless otherwise specified on the EDDYFI quotation, all quotations are firm for ninety (90) days from the date of the quotation. The Order shall only be deemed to be accepted upon the issuance of a written order acknowledgement (OA) by EDDYFI.
- PRICES, TAXES AND DUTIES:** All prices are effective only as set forth in an EDDYFI quotation according to the schedule in that quotation. Orders not placed in accordance with the EDDYFI quotation (e.g. late order or requesting expedited delivery) may be accepted or may be subject to re-quotation and imposition of expedite fees, as determined by EDDYFI. All prices are subject to change without notice and are subject to correction of clerical errors. All payments shall be made without any deduction for or on account of any taxes, charges, fees and withholdings of any nature, unless if required by law. In such a case, Buyer will pay EDDYFI the additional amounts necessary to ensure receipt by EDDYFI of the full amount which would have been received but for the deduction.
- PAYMENT:** Except as otherwise agreed to by EDDYFI in writing, and upon approved credit, invoices will be issued as of the date of shipment and shall become due and payable in the lawful currency specified in the quotation thirty (30) days after the issuance thereof. All invoiced amounts unpaid and outstanding will be subject to a charge of one and one half percent (1½%) per month (18% per annum) from the date due or up to the maximum allowed by applicable law from the date due.
- DELIVERY, TITLE, AND RISK OF LOSS:** Unless otherwise specified on the EDDYFI quotation, delivery is FCA (Manufacturing Site). In any case, delivery and risk of loss is in accordance with INCOTERMS 2010. Title to Products shall pass to the Buyer upon full payment of the invoice(s).

In the absence of specific Buyer instructions, goods will be shipped via the carrier EDDYFI deems most practical.

No claim for error in shipment will be considered unless made within ten (10) days of Buyer's receipt of goods.
- CANCELLATION:** No order may be cancelled by Buyer, in whole or in part, without EDDYFI prior written consent. Any approved cancellation is subject to assessment of a cancellation fee as determined by EDDYFI.
- RETURNS AND RESTOCKING FEE:** Except as provided for under the Limited Product Warranty, EDDYFI does not allow for return and restocking of products. However, if EDDYFI approves a return, returns are subject to a return/restocking fee as determined by EDDYFI. Special designs and non-catalog items may not be returned. All returned product shall be sent to EDDYFI freight prepaid by Buyer in packaging appropriate to prevent damage in transit.
- ALTERATION:** EDDYFI reserves the right to alter component designs without notice.
- INTELLECTUAL PROPERTY:** All intellectual property rights (including, without limitation, patents, trademarks, registered designs and any rights to apply for same, copyright, design rights, database rights, rights in and to confidential information and know-how) and any rights analogous to the same anywhere in the world and existing at any time in Products or arising out of or relating to the design or manufacture of Products or the provision of services shall belong to and remain vested in EDDYFI.
- LIMITED PRODUCT WARRANTY:** Except as otherwise agreed to by EDDYFI in writing, Products such as instruments, mechanical products, spare parts, probes and cables are warranted, to the original Buyer only, for use solely by Buyer or direct affiliate, against defects in material and workmanship for a period of twelve (12) months from the date of Delivery. Probes and cables are considered consumables and require periodic replacement due to wear. EDDYFI does not warrant the service life of probes or cables. EDDYFI does not warrant any Products against defects caused by misuse, abnormal operating conditions, alterations or damage caused by events beyond the control of EDDYFI. EDDYFI shall not be liable for product defects caused by or resulting from any inaccuracies in any drawing, description or specification supplied by the Buyer.

Upon Buyers written request during the warranty period, EDDYFI, at its choice, will repair or replace defective products within a reasonable time. The original term of warranty applies, without extension, for repaired or replacement products. All defective merchandise shall be sent to EDDYFI freight prepaid by Buyer in packaging appropriate to prevent damage in transit. The Limited Product Warranty does not apply to periodic calibration or minor maintenance as described in Products operating manuals.

All Buyer paid repairs performed by EDDYFI are warranted against defects in materials and workmanship for 90 days from the completion of repair. Upon Buyers written notice of defect within the 90 day period, EDDYFI will replace the defective part(s) and/or re-perform the

service. This warranty is limited to failures in areas directly related to the repair performed. After a warranty repair, the "current" calibration is validated but a new calibration is not provided free of charge.

EDDYFI does not warrant any non-Eddyfi/Inuktun/M2M/Silverwing /Teletest/TSC brand products.

- SOFTWARE:** Eddyfi, Inuktun, M2M, Silverwing, Teletest or TSC softwares are subject to specific Software License Agreement. The software is not sold, but granted under a non-exclusive and restrictive license. The software must be used with the software-enable hardware or software key supplied by EDDYFI.
- LIMITED SERVICE WARRANTY:** EDDYFI agrees to perform service for Buyer on the expressed condition that EDDYFI's sole obligation will be that the service will be performed in a professional and competent manner and will be of the kind and quality described in the EDDYFI quotation. EDDYFI does not warrant the fitness, suitability or condition of Buyer's equipment upon which EDDYFI services are performed. If there is a specific problem with the quality of the service performed, Buyer shall inform EDDYFI in writing and, if feasible, the service will be re-performed at no additional charge. In the event corrective services are performed by EDDYFI, Buyer must provide adequate access to the equipment to allow EDDYFI to perform these services. Any additional costs incurred to provide access to the equipment will be the responsibility of the Buyer. If re-performance of the service is not feasible, EDDYFI and Buyer shall negotiate in good faith to arrive at an equitable settlement.
- LIMITATION OF LIABILITY:** EDDYFI's total liability for any and all losses and damages arising out of any and all causes whatsoever including, without limitation, defects in the goods, services, software, documentation, or sitework supplied under this quotation, shall in no event exceed the purchase price of the applicable item(s). In no case shall EDDYFI be liable for any special, incidental or consequential damages based upon breach of warranty, breach of contract, negligence, direct liability or any other legal theory. Excluded damages include, but are not limited to; loss of profit, loss of savings or revenue, loss of use of the product or any associated equipment, downtime, the claims of third parties, including Buyer, damage to property or injury to personnel.
- COMPLIANCE WITH EXPORT CONTROL REGULATIONS:** Buyer agrees to take no action which will cause EDDYFI to be in violation of any law. Such laws shall include but not be limited to the Canadian, United Kingdom, EU, and US Export Control Regulations or equivalent. Diversions, use, export, re-export contrary to the law is prohibited. The products may not be exported or re-exported to countries or to entities and persons that are ineligible under the Canadian, United Kingdom, EU, and US Export Control Regulations or equivalent to receive commodities, technology and/or software. Buyers that intend to resell or pass the goods to a third party, must declare all End User information to EDDYFI. It is the responsibility of Buyer to understand the seriousness of exporting Products without proper licenses or authorizations.
- FORCE MAJEURE:** EDDYFI shall not be liable for any delay or failure to ship or provision of services if such delay or failure is caused by circumstance beyond EDDYFI control, including but not limited to labor dispute, strike, embargo, war, riot, insurrection, civil commotion, fire, flood, accident, storm or any act of God, failure of supplies or transportation, governmental action or other causes beyond EDDYFI reasonable control.
- CONFLICTING TERMS:** In the case of conflict between the terms or conditions of Buyer's order and the EDDYFI terms and conditions herein, EDDYFI terms and conditions shall apply.
- APPLICABLE LAW:** This quotation shall, in all respects, be governed by and construed in accordance with laws of the Province of Quebec, without application of conflict of laws statutes.

ALL SALES ARE MADE PURSUANT TO THESE TERMS AND CONDITIONS AND ANY TERMS IN THE QUOTATION DOCUMENT. ALL ORDERS ARE RECEIVED WITH THE UNDERSTANDING THAT THEY ARE PLACED UNDER THESE TERMS AND CONDITIONS.

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