

## BOWIE PUMPS OF CANADA LTD. TERMS AND CONDITIONS OF SALE

1. Payment Terms of the contract are net 30 days from the date of the invoice; interest to be chargeable on overdue accounts at the rate of 18 percent per annum; returns by permission only; re-stocking charge 25 percent on goods supplied as ordered.

2. The purchaser agrees to assume any extra charge in case of delays occasioned by the fault of the purchaser.

3. Any Extra Materials or labour supplied at the request of the purchaser, whether written or verbal, will be charged for in accordance with the seller's current catalogue prices for material and the seller's current wage rates for labour.

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5. All shipments shall be in accordance with ordinary commercial practice at place of shipment. Unless otherwise agreed, the F.O.B. point and routing shall be at the seller's option and goods will be shipped at the lowest acceptable rate by common or other carrier, or such other method as the seller may deem necessary or advisable.

6. The seller, at its option, may subcontract any and all orders accepted by it, without consent of the purchaser.

7. Liability of the seller is limited to the replacement of defective goods only. There are no other warranties either express, or implied by operation of law, as to the fitness or suitability of the goods for the use to which they are applied or for the circumstances to which they are subjected; which fitness or suitability must be determined by the purchaser. The purchaser acknowledges responsibility to inspect the goods prior to use. In particular, there is no guarantee against corrosion or erosion or against the effects of chemicals and their fumes: there is no guarantee of any kind on used or second-hand material or equipment; and any article not of seller's manufacture included in the contract is sold under such warranties only as are given by the maker and which the seller is able to enforce. The seller's liability for damages caused by defective workmanship or material shall be limited to repairing or replacing the defective part or parts, and no allowance will be granted for repairs or alterations made by the purchaser without the seller's written consent. The seller shall not be liable in any circumstances for loss of fluids, gases, or substances, nor for damages in transit, nor for any claims for labour, indirect or consequential damages of any nature or due to any cause. Replacements by the purchaser will be shipped and billed as repairs. If the purchaser desires to make a claim, he shall notify the

seller in writing before making any repairs or alterations of any kind, and if so instructed by the seller he shall ship the part claimed to be defective to the seller, under seller's shipping instructions and by freight prepaid and if it is found to be defective, credit will be issued by the seller to cancel the charge for replacement.

8. The seller assumes liability under clause 7, only if a claim in writing is made to the seller at its usual place of business at Edmonton, Alberta, within 180 days of discovery of the defect and in any case within one year from the invoice date.

9. The seller shall have no responsibility for patent infringements, or for the structural design or the operating performance, of products manufactured according to designs and specifications of the purchaser, including shop drawings made by the seller and approved by the purchaser, which shop drawings shall be considered as part of the purchaser's designs and specifications.

10. All taxes and excises imposed by any present or future law or regulation which the seller may be required to pay to any Government (Foreign, Federal, Provincial or Municipal) upon the sale, use, production, processing, purchase, delivery, storage, consumption or transportation of the materials, products, equipment, articles or services involved shall be added to the prices herein specified. Where exemption from customs duty and/or sales or other tax is claimed by the purchaser, such exemption may be extended, but without prejudice to the seller's right to charge for the same at any subsequent date should it be determined that the material sold or service provided is not exempt.

11. No order accepted by seller shall be cancelled by the purchaser, and in the event any termination is desired the purchaser shall pay all costs, expenses, losses, and damages sustained by seller in connection with such termination, including administration and engineering expense and loss of profits.

12. Notwithstanding any terms and conditions of the purchaser's order, the terms and conditions herein are the terms and conditions of the contract unless a change or modification of these terms and conditions made in writing are authorized by an executive officer of the seller.