

GENERAL TERMS AND CONDITIONS OF SALE OF SHAWFLEX

Terms and Conditions of Sale

The Company accepts and will fill your order only upon the terms and conditions appearing below. If these terms and conditions are not acceptable to you, please notify us at once. Your acceptance of our shipment will be deemed to be acceptance of these terms and conditions.

Orders submitted on your own purchase order form which contain statements, clauses or conditions modifying, adding to or repugnant to or inconsistent with the terms and provisions contained herein are accepted by us only upon condition and with the express understanding that, notwithstanding any such statements, clauses or conditions contained in any order forms of yours, our liability will be determined solely by the terms and conditions set out herein, and in accepting and consummating any such order we will be deemed not to have in any way changed, enlarged or modified our liabilities or obligations as fixed by such terms and conditions of sale as stated by us herein.

§ 1 Quotations

Quotations are firm for products to be ordered within 15 days from date of quotation.

§ 2 Price Changes

Prices will not be protected beyond normal lead times without prior authorization from ShawFlex, a division of Shawcor Inc.

§ 3 Prior Sale

Material in stock is subject to prior sale or shipment.

§ 4 Credit and Payment Terms

Credit terms are subject to our approval. If credit has not been arranged, remittances must accompany order. If credit relations are desired and have not been previously established, shipping delays will be avoided if references and latest financial statements are furnished. Unless stated otherwise, terms of sale are net 30 days from date of shipment. All overdue accounts are subject to interest as a rate of 12% percent per month.

§ 5 Shipping Dates

Quoted shipping dates are effective from and subject to receipt of all necessary manufacturing and other pertinent details. Unless stated otherwise, it is understood that material ordered may be shipped within three months from date of order. On any material not ordered forward by the purchaser within this period, a carrying charge will be assessed and invoiced to purchaser.

§ 6 Shipping Details

If goods are shipped FOB Toronto we reserve the right to ship via the carrier of our choice. Where prepaid freight is included in the price, no allowance will be made for customer pick up at our factories or warehouses. The unloading of materials at the point of destination shall be the sole responsibility of the buyer.

§ 7 Inspection

Prices are quoted and orders accepted on the basis of inspection and final acceptance of material at our factory.

§ 8 Returned Goods

Permission must be obtained before returning merchandise at which time we will provide shipping instructions. Merchandise returned without permission may not be received or will be held at purchaser's risk and is liable to nonacceptance. Authorized returned goods are subject to restocking charges which will vary depending upon product.

§ 9 Damaged Goods

If there is any evidence of damage to reels, packages or contents, do not

receipt to carrier "in good condition" but note damage on delivery receipt. In case of damage, claim should be made on carrier without delay.

§ 10 Cancellation

Once an order has been placed with us, it can be cancelled only with our consent and upon terms that will protect us against loss.

§ 11 Warranty

We warrant our products to be free from defects in material and factory workmanship. When the product described herein is installed and used according to our instructions, the original buyer from us has the following warranty. If any product of ours is found by us to be defective or not to be as ordered, and a written claim is made to us, our sole responsibility will be to repair or replace the said product or issue credit for the same, at our option, to the original buyer. This warranty terminates on the earliest of: twelve months from day of shipment from our plant, or, if installed, six months from date of installation, or, 1,000 hours of use, and we will have no liability for any product defects of which are notified after such time.

With respect to component parts or equipment not manufactured by us, our warranty shall be limited to that extended by our supplier.

There is no other representation, warranty or condition in any respect, express or implied, statutory or otherwise, in contract, tort, otherwise, other than the above, nor will we be liable in any way for consequential damages, however caused, or damages arising out of our own negligence or that of our servants, agents or representatives.

We expressly disclaim any responsibility for expenses incurred in removing the said defective product or installing or using any replacement product or for loss of time or use of the said defective product, transportation costs, or any other indirect, incidental or consequential damage or inconvenience.

This warranty does not apply if our product has been damaged due to improper installation, alteration, abuse or misuse, accident, fire, flood or Act of God.

§ 12 Force Majeure

We shall not be responsible or liable, either directly or indirectly, for any loss or damages due to delay in delivery caused by war, hostilities, invasion, insurrection, riot, the order of any competent civil or military government or by fire, strikes, lockouts, labour disputes, lack of transportation facilities, shortage of raw materials, or by any other cause whether or not of a similar nature which is unavoidable or beyond the reasonable control of The Company.

§ 13 Sales Taxes

Although sales tax certifications are accepted in good faith, the purchaser accepts the responsibility for sales tax and penalties which may be assessed at any later date by Revenue Canada. The purchaser also accepts the responsibility to submit any requests for rulings and refunds which may be applicable to such tax assessments.

§ 14 Applicable Law

Any provision hereof which is contrary to law shall not invalidate any other provision hereof and any provision required to be included in a contract of this type by applicable law shall be deemed to be incorporated herein. This contract is to be construed according to the laws of the Province of Ontario and no action to enforce the same shall be taken or commenced except in the courts of Ontario.

§ 15 General

Clerical errors are subject to correction.