

## Conditions of Sale

1. **Contractual Conditions** – These Conditions of Sale shall form part of every contract formed into between us (Genrep Ltd./Ltee) and a purchaser for the supply by us of goods, accessories and work (exclusive of installation or servicing), unless otherwise expressly excluded in whole or in part under the terms of such contract, and whether such contract results from acceptance by us of an order from the purchaser or from acceptance by the purchaser of an offer (by way of tender, quotation, bid or otherwise) by us.  
No conditions or terms of any enquiry, order, acceptance, correspondence or other document from purchaser shall exclude, vary or amend, or add to the subject matter of any of these Conditions of Sale, which shall prevail notwithstanding any such exclusion, variation, amendment or addition unless the same are specifically agreed to in writing by us.
2. **Acceptance of our offer** – In the case of such an offer by us, it shall, unless previously withdrawn by us, be open for acceptance by the purchaser for the period stated therein or, if no period is stated, within 30 days only from the date of our offer.  
**Acceptance by the purchaser shall not result in a contract unless and until we confirm the same in writing.**  
Acceptance of our offer must be accompanied by information which is sufficient in our opinion to enable us to proceed forthwith, otherwise we will have the right to amend the offered prices to cover any increase in costs, as determined by us, which has taken place after acceptance and before receipt of such information.
3. **Description** The contract is limited to the goods, accessories and the work described and expressly identified as such therein. All other descriptive matters submitted prior to or accompanying our final offer, or the purchaser's final order, such as, but not limited to shipping, specifications, drawings, particulars or weight and dimensions, and descriptions and illustrations contained in the manufacturer's catalogues, price lists and other advertising matter, are approximations only, **are intended to present merely a general idea of the equipment to be supplied, and shall not form part of the contract.**
4. **Stock** – Products in stock are listed subject to prior sale.
5. **Packing** – Unless otherwise specified, packing in accordance with our present standard practice is included.
6. **Prices** – Prices are to be adjusted to give effect to any additions to customs duties and tariffs of all kinds, sales taxes and other direct taxes of all kinds including without limitation use sales and value added taxes, between the time of the contract and shipment, whether such additions are accomplished by new or amending statutes, regulations, departmental interpretations or a judgement or decision of any court, tribunal or other body whether federal, provincial or otherwise whatsoever.
7. **Drawings** – Any drawings or other information submitted by us for the purchaser's approval after the contract is made shall be returned back to us within fourteen (14) days after they are received by the purchaser, and marked either "Approved" or "Approved subject to noted corrections being made". Upon receipt of such drawings or other submissions so marked by the purchaser, we shall be entitled to proceed with and complete manufacture, and deliver, in accordance therewith, unless, in our opinion the noted corrections involve changes or extra work within the meaning of paragraph 8 hereof, in which event the procedure therein specified shall be followed.
8. **Changes and Extras** - The purchaser may, by written notice, request reasonable changes in the equipment, even after drawings have been approved, subject, however, to our (a) to reject such change which, in our opinion, is impractical or will affect our warranty or guarantees (if any), and (b) to an equitable adjustment of the contract price, delivery date of other provision of the contract, as the case may be, which in our opinion, may be affected by such change. Where such an equitable adjustment is, in our opinion, justified, we shall so notify the purchaser in writing, in which event we shall not be obligated to make the requested change unless agreement in writing as to the equitable adjustment is reached. Nor shall we be obliged to furnish additional material or equipment desired by the purchaser unless agreement in writing is reached as to the terms and conditions under which such materials or equipment are to be supplied.
9. **Tests** – The products offered are inspected, and, where practicable, tested before dispatch. If the purchaser shall request tests other than those specified in the contract, or tests in the presence of the purchaser's representative, these will be charged for as extra, and in the event of any delay on the purchaser's part in attending such tests after seven (7) days notice that we are ready, the tests will proceed in the purchaser's absence, and shall be deemed to have been made in his presence.
10. **Usage and Performance** – The purchaser assumes responsibility that the goods stipulated are sufficient and suitable for his purposes, and no warranty, condition or representation is made by us with respect thereto or with respect to performance of the goods for the purchaser's usage. Any performance figures given by us are general estimates only and are subject to recognized tolerances and to performance tests and adjustments by us for which we are to be given reasonable opportunity and time to carry out. We shall be under no liability for damage or otherwise for failure to attain any such performance figures unless we have otherwise expressly guaranteed the same in writing to the purchaser.
11. **Shipment** – Shipping dates are approximate only and depend on prompt receipt by us of all necessary information from the purchaser and materials from our suppliers. We shall use all reasonable efforts to ship on the dates specified, but shall not be liable for delays beyond our reasonable control.
12. **Delivery** – Unless otherwise specified, delivery is to be f.o.b. our point of shipment. The products shall be at the risk of the purchaser, title to the goods remaining with us until the purchase price is paid in full to us. If there is any evidence of damage or shortage upon receipt of the goods by the purchaser, the purchaser should give the carrier a receipt according to the facts in case of such damage or shortage the purchaser should make a claim on the carrier without delay.
13. **Terms of Payment**
  - (a.) Prices are strictly net unless otherwise stated, and unless credit has been approved, remittance for the full purchase price must accompany the order. We will be entitled to invoice for goods as they are shipped, either in whole or in part.
  - (b.) All payments payable hereunder will be paid to us in Canadian funds at 264 Watline Avenue, Mississauga, ON L4Z 1P4 and unless otherwise specified, the purchaser will make payment in full within thirty (30) days after the purchaser has been invoiced by us. The purchaser will pay interest at the rate of two percent per month on overdue payments until paid.
14. **Storage** – The purchaser shall authorize shipment of the goods within a period of four (4) days after notification from us that the goods are ready for shipment. In the event the purchaser does not within such period confirm that he is ready to authorize shipment, or in the event he advises us not to ship the goods, or in the event the goods are shipped as arranged but are returned by the carrier by reason of inability or refusal by the purchaser to receive them, the purchaser shall arrange and pay the costs of suitable storage, protection and insurance. If the purchaser is unable to arrange for such storage, we may arrange for same at our premises or elsewhere and all risk, and all charges therefore, including insurance and demurrage, shall be for the account of and shall be payable by the purchaser. In any of such events, we shall be entitled to invoice the goods as at a date no later than fourteen (14) days after our notification that they were ready for shipment.
15. **Delay and/or Suspension of work** – Any times quoted for shipment are from date of receipt by us 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 ship within such time and an amount payable in respect thereof shall have been otherwise expressly agreed to in writing by us as liquidated damages, in which case our liability shall be limited to the amount so agreed to be paid. In all cases, whether a time for shipment be specified or not, the time for shipment shall be extended by a reasonable period if delay is caused by instructions, or lack of instructions, from the purchaser or by industrial dispute or by any cause whatsoever referred to in Clause 18 of these conditions. In the event of the suspension of the work by your instructions or lack of instructions, the contract price shall be increased to cover any extra expense thereby incurred by us.
16. **Returns** – Material sold by us may not be returned for credit unless permission is granted by us in writing within six months from the date of shipment of the goods. Only standard materials regularly maintained in stock by us will be considered for return by the purchaser for credit. If permission is granted, such materials must be returned in good condition freight prepaid, and credit will be allowed depending on the condition thereof, but not exceeding 85% of the original shipment to the purchaser. Apparatus returned for credit without permission will be held at purchaser's risk and is liable to non-acceptance.
17. **Liability** – Our liability and the purchaser's remedy in respect of any defect in or failure of the goods, supplied and for any loss, injury or damage resulting therefrom are limited to our making good by replacement or repair any defect or failure which is attributable solely to faulty design, materials or workmanship on our part and which appears or occurs within a period of 12 months after the original goods have first been shipped, subject always to the following conditions.
  - (a.) That the goods have been installed and operated in accordance with our recommendations, and provided that the defect or failure has not been caused by improper use, mismanagement or neglect or by accident or peril beyond our control.
  - (b.) That no repairs or alterations have been effected without our knowledge and written approval.
  - (c.) That notice of every alleged defect or failure has been given promptly to us in writing and, if so required by us, the goods or relevant parts thereof have been returned to us carriage paid and on inspection are proven to have failed or been defective within the terms hereof.
  - (d.) That repaired or replacement parts will be delivered by us as provided in Clause 12 of these Conditions.
  - (e.) That defective or failed parts replaced by us become our property.
  - (f.) That in respect of goods or parts or components not of our manufacture, the purchaser shall be entitled only to such benefits as we may obtain under any guarantee or warranty or other agreement given to us by our supplier, but not so as to impose liability on us greater than that under the terms of this Clause, and
  - (g.) That any claim under this Clause shall be made within 13 months after the original goods shall have first been shipped by us to the purchaser.
  - (h.) That our obligation and liability as aforesaid shall be in lieu of any warranty or condition implied or otherwise imposed by law as to quality of goods or their fitness for any particular purpose, and in lieu of any other liability in law in respect of or resulting from any defect in or failure of the goods.

In addition to the foregoing limitations, in no event shall we be liable for any special, indirect or consequential damages (including, but not limited to, loss of profit, loss of business, or other commercial loss of any kind) arising from any breach (fundamental or otherwise) of this contract or from any tortious acts or omissions on our part or on the part of our employees or agents, and in any event the maximum limit of any liability on our part not otherwise limited hereunder shall be an amount equal to the contract price of the goods in question.
18. **Force Majeure** – We shall not be liable for any loss or damage resulting from causes beyond the reasonable control of ourselves and our suppliers or subcontractors including, without limitation, fire, strike, civil or military authority, insurrection or not, embargoes, wrecks or delays in transportation, lack or failure of sources of supply. Receipt of the goods by you shall constitute a waiver of all claims for loss or damage due to delay.
19. **Bankruptcy, etc.** – If the purchaser commits an act of bankruptcy or being a corporation commits an act in respect of which petition for a winding up order may be presented or if a petition for a voluntary winding up is brought with respect to the purchaser, we may forthwith terminate the contract without prejudice to such other legal rights as we may be entitled to in the circumstances.
20. **Governing Law** – The contract shall be governed by and interpreted in accordance with the laws of the Province of Ontario. Titles to the Clauses in these Conditions shall not affect their legal construction.
21. **Cancellation** – Any contract or order may be cancelled or terminated, in whole or in part, by the purchaser only upon payment of reasonable charges based upon:
  - (a.) commitments made by us including, without limitation, a commitment of production space in our shops which, because of such cancellation or termination, will not be utilized;
  - (b.) all expenses therefore incurred by us and;
  - (c.) all expenses incurred by us in compliance with such cancellation or termination, including processing, handling and/or storage charges.
22. **Title** – The title to the product or any part thereof shall pass from Genrep Ltd./Ltee as soon as all payments due have been fully made in cash, except as otherwise expressly stipulated herein. The said product shall be and remain personal property, notwithstanding its mode of attachment to real or other property. If default is made in any of the payments herein, the Company may retain any partial payments which have been made, as liquidated damages, and the Company shall be entitled to the immediate possession of the product and shall be free to enter the premises where the product may be located and remove it as the Company's property, without prejudice to the Company's right to recover any further expenses or damages that the Company may suffer by reason of such non-payment. Notwithstanding the terms hereof, risk will pass to the purchaser at point of delivery.