

R. STAHL Ltd. - GENERAL SALES TERMS

Updated 4/26/2022

These General Sales Terms are an agreement between you, the purchaser of the [goods / products] under that certain [purchase order] ("Purchaser" or "you") and R. STAHL Ltd. ("we" or "us"). By submitting the [purchase order], you agree to be bound by these General Sales Terms.

TERMS OF PAYMENT: Net 30 days from date of invoice for credit approved Purchasers, no cash discounts for early payment. R. STAHL Ltd. reserves the right to require full or partial payment in advance of the shipment where the financial condition of the Purchaser does not justify the terms of payment specified. Orders from Purchasers without credit approval will be shipped C.O.D. All orders requiring either modification or assembly are accepted on a non-cancelable and non-refundable basis.

PRICES: Published prices shown in the R. STAHL Ltd. catalogs and price sheets provide a price and catalog number guide for the selection and application of a specific product. Prices are subject to change without notice.

R. STAHL Ltd. will price orders at current published prices and terms even though incorrect prices may appear on the Purchaser's order.

TAXES: Published prices do not include GST, HST, QST, PST or any other applicable taxes. All applicable taxes will be paid by the Purchaser.

FIRM PRICE QUOTATION: Firm price quotations will be given in writing upon request to R. STAHL Ltd. All quotations and acceptance of contracts/orders are subject to final approval by authorized personnel of R. STAHL Ltd. All quotations are valid for thirty (30) days unless otherwise noted in writing.

MINIMUM CHARGE: A minimum billing of \$ 250.00 CAD net plus shipping cost will apply to each single order.

ORDER ACCEPTANCE, CHANGE ORDER AND ORDER CANCELLATION: All orders shall be deemed to be an offer by Purchaser to purchase the [goods / products] specified in the [purchase order] pursuant to the terms of such [purchase order] and these General Sales Terms. As such, all orders are subject to confirmation and acceptance in writing by R. STAHL Ltd. Orders shall become final on the close of business the day they are accepted in writing by R. STAHL Ltd. Any change must be agreed to in writing and signed by Purchaser and R. STAHL Ltd. Purchaser must give R. STAHL Ltd. written notice of change or cancellation in accordance with the Notice section below. In the event of any agreed change order or cancellation after the order has become final, Purchaser shall be liable for the cost of any labor and materials already incurred by R. STAHL Ltd. as of the date of delivery of the change order or cancellation notice to R. STAHL Ltd. In the event of cancellation, Purchaser shall also pay a cancellation fee equal to forty percent (40%) of the total contract price of labor and materials, payable in cash within ten (10) days of the date of delivery of the notice of cancellation.

DELIVERY AND RISK OF LOSS: The [goods / products] are sold Ex Works, R. STAHL Ltd.'s manufacturing facility (Incoterms 2020). All delivery charges are paid by Purchaser, unless otherwise agreed in writing. Risk of loss shall pass to Purchaser upon delivery to a common carrier at R. STAHL Ltd.'s manufacturing facility. Standard insurance coverage is provided at no additional charge. Additional insurance is available upon request and at Purchaser's expense.

WEIGHTS & DIMENSIONS: Catalog weights and dimensions are approximate and subject to change without notice. Please consult the factory for detailed construction prints or verification of exact weight.

CLAIMS: Claims by Purchaser for billing errors, or incorrect freight charges, must be made within (30) days of the invoice date.

SHIPPING DATE AND DELIVER: R. STAHL LTD. WILL USE COMMERCIALY REASONABLE EFFORTS TO FILL ORDERS WITHIN THE TIME STATED. UNDER NO CIRCUMSTANCES WILL R. STAHL LTD. BE RESPONSIBLE FOR, OR THE PURCHASER(S) ENTITLED TO, DAMAGES ARISING OUT OF, OR OWING TO, ANY DELAYS IN DELIVERY WHATSOEVER, OR FOR CAUSES BEYOND R. STAHL LTD.'S REASONABLE CONTROL.

Shipping date and delivery specified are subject to any priorities or allocations necessitated by government orders or regulations, time, and manner of delivery are subject to any delay on the part of the Purchaser(s) supplying necessary data, or by any changes in data at the Purchaser(s) insistence, and/or to delays caused by fire, floods, hurricane, strike, lock-outs, riots, acts of terrorism, war, breakdowns, priorities or embargos, accidents, civil or military authority, shortages of labor, delay in suppliers (or supplies) of material, difficulty in obtaining raw material, and any other cause R. STAHL Ltd.'s reasonable control. Delay in delivery for any of the aforementioned causes shall proportionately extend the time of delivery hereunder. Purchaser shall reimburse R. STAHL Ltd. for any and all extra costs and expenses occasioned by delays attributable to the Purchaser(s).

DAMAGE IN TRANSIT: R. STAHL Ltd.'s products are packed to be protected from damage during shipping. Upon making the products available at R. STAHL Ltd.'s manufacturing facility, responsibility and risk shift to Purchaser. All shipments should be inspected immediately upon receipt for visible or hidden damages. Claims for loss or damage should be made with the carrier immediately. R. STAHL Ltd. will assist in so far as practical in securing satisfactory adjustment of claims. However, all claims for loss or damage must be made by the Purchaser to the carrier as soon as possible after delivery.

RESPONSIBILITY: R. STAHL Ltd. is not responsible for the misuse or misapplication of products, intentionally or otherwise. Improper application, installation, or operation above the rated capacity are all beyond the control of R. STAHL Ltd. and Purchaser shall indemnify, defend (by counsel chosen by R. STAHL Ltd.), and hold harmless R. STAHL Ltd., its affiliates, and their respective officers, directors, employees, agents, successors, and assigns from and against any and all claims, damages, and liabilities whatsoever asserted by any person or entity arising directly or indirectly from such improper application, installation, or operation. UNDER NO CIRCUMSTANCES SHALL R. STAHL LTD. BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE, CONSEQUENTIAL OR CONTINGENT DAMAGES. R. STAHL LTD.'S AGGREGATE LIABILITY FOR DAMAGES OF ANY CAUSE WHATSOEVER AND REGARDLESS OF THE FORM OF ACTION WHETHER IN CONTRACT OR TORT, INCLUDING NEGLIGENCE OR STRICT LIABILITY, SHALL IN NO EVENT EXCEED THE PURCHASE PRICE PAID BY PURCHASER FOR THE SPECIFIC PRODUCT THAT CAUSED THE DAMAGES OR THAT IS THE SUBJECT MATTER OF, OR DIRECTLY RELATED TO, THE CLAIM OR CAUSE OF ACTION RELATED TO SUCH DAMAGES.



R. STAHL Ltd. - GENERAL SALES TERMS

WARRANTY: R. STAHL Ltd. warrants the equipment manufactured by it to be free from defects in material and workmanship under normal use and service for a period of one year from date of shipment, if manufactured by R. STAHL INC., unless otherwise noted. R. STAHL Ltd. does not cover ordinary wear and tear, abuse, misuse, overloading, altered products, or systems or materials, not of its own manufacture.

This warranty does not cover travel expenses, the cost of specialized equipment for gaining access to the product or labor charges for the removal and reinstallation of the product, costs related to shutdown, or any other indirect, special or consequential damages, including lost profits or goodwill.

Except as expressly set forth above, R. STAHL LTD. EXPRESSLY DISCLAIMS ANY AND ALL **WARRANTY, REPRESENTATION OR CONDITION OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE**, concerning the suitability of the products covered by these General Sales Terms for any use or purpose whatsoever intended by the Purchasers and none law shall imply. Except as otherwise provided herein, quality shall be in accordance with R. STAHL Ltd.'s specifications. If any sample or model was shown to Purchaser, such sample or model was used merely to illustrate the general type and quality of the products and such use is not to be construed as a warranty that the goods will conform to the sample or model. No agent, employee, or representative of R. STAHL Ltd. has any authority to bind R. STAHL Ltd. to any affirmation, representation or warranty concerning the products and unless any such affirmation, representation or warranty is specifically included in a written contract, it shall not be enforceable by Purchaser. The Purchaser will assume all risks and liability for results of the use of the products, including any change made in the composition or form of the material or use of same in combination with other substances. Notwithstanding R. STAHL Ltd.'s knowledge of the particular purpose or ultimate use of the same products, the Purchaser does not rely upon, nor does it regard material, R. STAHL Ltd.'s skill, judgment or advice in connection therewith.

RETURN MATERIALS: All shipments should be inspected immediately upon receipt. Please notify R. STAHL Ltd. in writing within five (5) days of delivery of any claim of shortage, wrong engineering, wrong product or other error. No claims will be accepted after five (5) days after the delivery date. Claims for damage should be made by Purchaser directly to the carrier as soon as possible after delivery. **UNDER NO CIRCUMSTANCES SHALL PRODUCTS BE RETURNED TO R. STAHL LTD. WITHOUT WRITTEN RETURN AUTHORIZATION.** Products returned without authorization will be refused. Products modified to customer specifications will not be accepted for return under any circumstances. Credit will be allowed on returned goods on the following basis: Only unused items as currently manufactured which have been invoiced within one year will be considered. The handling/restocking charge will be min. 40%. All products must be returned in perfect condition. Any cost incurred by R. STAHL Ltd. to restore the product to perfect condition will be charged to the Purchaser. **ANY MODIFIED/ SPECIAL CUSTOM PRODUCTS ARE NOT SUBJECT TO RETURN.** In addition, due to the encapsulated design of Zener Barriers, these barriers cannot be returned for credit, replacement or repair. Equipment must be packed to protect against damage and must be shipped prepaid.

Transportation charges are borne by the Purchaser on all returned products. If the return is the fault of R. STAHL Ltd. full credit will be allowed, and the transportation charges will be paid.

CHANGE ORDER POLICY: R. STAHL Ltd. understands that customer requirements or project specifications can change after an order has been placed. However, changes made after an order has been received and approved can result in additional expense items such as: Cost of reprocessing the order, Engineering labor required for revised drawings, requisitions, shop instructions, etc., Shop labor required to make changes, Restocking charges. While it is impossible to recover all costs resulting from a change, for all changes approved by R. STAHL Ltd. in writing in accordance with these General Sales Terms, adjustments outlined in the following sections will be made to addition and deletion prices to compensate for some of the added expense. These adjustments will be applied to any quoted unit price impacted by the change.

- 1. **Deletions:** The following charges will be subtracted from any price reduction resulting from deletion of equipment or change in scope of a project:
 - (A) Engineering labor required to make revisions resulting from a change,
 - (B) Manufacturing labor to make revisions resulting from a change,
 - (C) Cost of any items which must be scrapped or are otherwise not reusable,
 - (D) A minimum of forty percent of the value of any items which are cancelled after they have been purchased or removed from our stock (to cover purchasing, material handling, etc.),
 - (E) Any restocking, cancellation or freight charges from our supplier on cancelled orders.
- 2. **Additions:** The following charges will be added to any price increase resulting from additions of equipment or changes in scope of a project:
 - (A) Engineering labor in excess of that which would have been required if the change had been made prior to the preparation of drawings,
 - (B) Manufacturing labor in excess of that which would have been required if the change had been made prior to the preparation of drawings,
 - (C) Material costs in excess of costs, which would have been incurred if the change had been made prior to the preparation of drawings and purchase of materials.

All engineering department and manufacturing department charges will be based on the following hourly rates:

<u>Hourly Rates</u>	<u>Net Price (CAD)</u>	
	<u>Regular Time</u>	<u>Over Time</u>
<u>Engineering Department</u>	<u>\$200.00/hr</u>	<u>\$300.00/hr</u>
<u>Manufacturing Department</u>	<u>\$100.00/hr</u>	<u>\$150.00/hr</u>

R. STAHL Ltd. - GENERAL SALES TERMS

Please note, R. STAHL Ltd. can proceed with the requested changes only after a revised purchase order has been issued or written acceptance of the new charges and written authorization to proceed has been given.

GENERAL: If any provisions of these conditions become illegal, void or unenforceable for any reason, the validity of the remaining provisions shall not be affected.

Failure by the R. STAHL Ltd. to enforce strict compliance with these conditions will not constitute a waiver of any of the provisions of these conditions.

GOVERNING LAW: All matters arising out of or relating to these General Sales Terms, including, without limitation, the relationship between the parties, all of the transactions it contemplates, and any disputes or controversies arising herefrom, shall be governed by and construed in accordance with the laws of the Province of Alberta, excluding any conflicts of law rules (whether of the Province of Alberta or any other jurisdiction) that might result in the application of the laws of any other jurisdiction. They are the entire agreement of the parties. They inure to the benefit of R. STAHL Ltd, its successors and assigns and it obliges the Purchaser, its customers, and their respective successors and assigns. They may not be changed or discharged orally. The parties hereby agree that any dispute, action, controversy or claim arising from or related to these General Sales Terms shall be exclusively submitted to the Courts of the Province of Alberta for resolution. Notwithstanding the foregoing sentence, if Purchaser is based outside of Canada, the parties hereby agree that any dispute, action, controversy or claim arising from or related to these General Sales Terms shall be referred to and determined by binding arbitration as the sole and exclusive remedy of the parties. The arbitration shall be administered in the English language by the International Centre for Dispute Resolution ("ICDR") in accordance with its International Arbitration Rules (the "Rules") as in effect on the date hereof. The seat of the arbitration shall be in or around Fort Bend County, Texas. The number of arbitrators shall be one (1) and if the parties are unable to agree upon the arbitrator within ten (10) days after the demand for arbitration, the arbitrator shall be selected by the ICDR. No arbitrator may be an employee, ex-employee, and director, shareholder of record, partner, member, representative or agent of any party or its affiliates. Neither party may (and each party will ensure that its representatives do not) disclose the existence, content, or results of any arbitration hereunder without the prior written consent of the other party, except (i) to the extent disclosure is lawfully required in bona fide legal proceedings relating to the arbitration, (ii) where disclosure is lawfully required by a legal duty (including, without limitation, stock exchange rules), or (iii) where such information is already in the public domain other than as a result of a breach of this clause. The decision of the arbitral tribunal will be final and binding upon the parties.

NONASSIGNABILITY: No right or interest in these General Sales Terms shall be assigned by the Purchaser without the prior written consent of R. STAHL Ltd. and no delegation of any obligation owed by the Purchaser shall be made without the prior written consent of R. STAHL Ltd. Any such attempted assignment or delegation shall be wholly void and ineffective for all purposes.

ENTIRE AGREEMENT: These General Sales Terms and the corresponding [purchase order] are intended by the parties to be a final expression of their agreement and a complete and exclusive statement of the terms of their agreement. These General Sales Terms supersede all prior proposals, negotiations and counterproposals and no course of prior dealings between the parties and no usage of the trade shall be relevant to supplement any terms used herein. These General Sales Terms supersede Purchaser's order blank, confirmation or manifold and any order, contract or confirmation of any broker or agent of either party issued prior hereto. R. STAHL LTD. OBJECTS TO THE INCLUSION OF ANY DIFFERENT OR ADDITIONAL TERMS proposed by Purchaser in its acceptance of this contract, and if they are included in Purchaser's acceptance a contract for sale will result upon R. STAHL Ltd.'s terms stated herein. The agreement created hereby may be modified or amended only by a writing signed by the party against whom enforcement is sought. No waiver by R. STAHL Ltd. of any default by Purchaser shall be deemed a waiver of any subsequent default. No modification, limitation, waiver or discharge of this contract or any of its terms shall bind R. STAHL Ltd. unless in writing and signed by R. STAHL Ltd.'s authorized agent. No subsequent modification, limitation, waiver or discharge of this contract shall affect Purchaser's liabilities to R. STAHL Ltd. accrued prior thereto.

CORPORATE AUTHORITY: Purchaser represents, covenants and warrants to R. STAHL, Ltd. that Purchaser has full corporate or other power to make and perform the agreement to purchase the products pursuant to these General Sales Terms and that the making and performance of this agreement by Purchaser have been duly authorized by all necessary corporate and other action of the Purchaser and will not violate any provision of law or of its governing documents, or result in the breach of any agreement to which Purchaser is a party or by which Purchaser may be bound or affected.

NOTICE: Any notice provided for by these General Sales Terms shall be in writing and either delivered in person or sent by telecopier or registered or certified mail, postage prepaid, return receipt requested, in a properly sealed envelope addressed to R. STAHL Ltd. as set forth below and to the Purchaser as set forth on the Purchaser's order. Any notice shall be deemed given and effective as of the date of delivery in person or upon receipt as set forth on the return receipt or telecopier confirmation.

R. STAHL Ltd.
8925-51 Avenue NW,
Unit 303
Edmonton AB T6E5J3
Canada
Fax: +1 780.469.5525
Attn: General Manager