

**Standard Terms and Conditions for USA & Canada based Customers/Dealers of 12291819 Canada Inc.
trading under “Ferntree Equipment & Distribution”**

1. **General Information, Writing Requirement:** 12291819 Canada Inc. O/A Ferntree Equipment & Distribution – in the following shortly referred to as FED – works with its customers/dealers- in the following called trade partners – exclusively on the basis of these standard terms and conditions. The standard terms and conditions form an essential part of every contract concluded by FED. The trade partner hereby confirms that it has received and read the terms and conditions and states its absolute agreement. Except from the agreements recorded in this document, no other arrangements have been made between the trading partners, unless they have been explicitly written down. Oral alterations or modifications, additional agreements, or confirmations are only valid if they are confirmed in writing by a person that is authorized to represent the trade partner. Any conditions of the trade partner that do not comply with the present general terms and conditions are invalid, unless they are changed consensually and in compliance with the writing requirement (see above). The following terms and conditions remain valid for future business dealings with the same trade partner, even if they are not explicitly agreed upon again. However, FED reserves for itself the right to modify the conditions for goods. In such case, FED will communicate the modification either at the time during the business relation when a further contract is concluded, or when further goods are rendered within the framework of an existing contractual relationship. The new terms will then be communicated to the trade partner upon request. These terms and conditions are deemed to be accepted when a new contract has been concluded or further goods have been accepted.
2. **OFFER AND CONCLUSION OF CONTRACT:** OFFERS OF FED are non-binding, especially regarding prices, terms of delivery , deadlines and, should the needs arise, availability and additional work. The quantity and type of the goods that have to be rendered are exclusively specified at the time of the confirmation of the order by FED; the standard terms and conditions apply. Information on goods of FEC displayed in catalogues, price lists, folders, company information leaflets, brochures, advertisements, on booths, in newsletters, commercials or in other media are non-binding, unless they have explicitly been declared the subject matter of the contract and put in writing. Cost estimates by FED are generally deemed to be made without claim for completeness or correctness. FED reserves its right to deviate from information stated in the order confirmation, if these deviations are necessary to conform to legally required technical standards. Declarations regarding the conclusions of a contract and additional agreements with employees and representatives of FED, who are not registered as authorized representatives of the company, are only binding for FED.
3. **Charges, Terms of Payment, Effects of Arrears:**
 - a) **PRICING:** The prices given in the contract are generally in US DOLLAR. If prices are given in another currency, payment can still be made in US DOLLAR, unless it has been explicitly required to pay in another currency. Conversion of currencies shall be made based on the current rate of exchange at time of payment. All prices are deemed without any applicable federal, state or local taxes and fees unless another arrangement has been made and explicitly written down. The buyer shall be responsible for any applicable federal, provincial, state, or local taxes, duties, or fees associated with the purchase, unless otherwise agreed upon in writing. In addition, prices do not include the cost for storing, packaging, transportation, loading and consignment, as well as for customs and insurance. The return of the wrapping material is only accepted if a formal agreement has been made. Deliveries and goods are priced according to the list price that is valid at the time the goods are rendered unless fixed prices have been

formally agreed upon. FED may demand higher charges than the ones that have been originally arranged when the order was placed if the basis of calculation, such as raw material prices, the exchange rate, or payroll costs, have changed after the conclusion of the contract. If an order has to be executed urgently (either because of its nature or because of a trade partner's demand), additional costs, e.g., for working overtime, will be charged. Charges that are invoiced periodically, such as for services or maintenance (if applicable), are to be paid once a year, at the beginning of the calendar year. If a contract is concluded or terminated some time during a year, the charges are pro-rated.

The charges for goods or services provided by FED will be subject to periodic increases based on inflation. These adjustments will be determined using the greater of either the Canadian Consumer Price Index (CPI) or the applicable European inflation index (such as the Harmonized Index of Consumer Prices (HICP) or the national CPI of the exporting country). This ensures fair and necessary adjustments reflecting changes in costs associated with the sourcing and supply of goods.

If the Canadian Consumer Price Index (CPI) or the applicable European inflation index (such as the Harmonized Index of Consumer Prices (HICP) or the national CPI of the exporting country) is no longer published, the index that succeeds it shall be used. If no successor index is announced, the index that most closely reflects the original CPI or European inflation index shall be used to determine the necessary increase in charges.

Furthermore, FED is entitled to modify the periodical charges based on specific circumstances or factors that may arise after the contract's conclusion. This may include changes in raw material prices, exchange rates, or payroll costs, among others. This provision grants FED the right to adjust the charges to account for these changes, following Canadian business practices. Orders placed with FED shall only be considered valid, if these persons hold the power of attorney and are executing orders on behalf of FED. It is incumbent upon the trade partner to ask FED about employees' power of attorney and their orders. In case of failure to perform this obligation, the trade partner must not rely on employees' or representatives' statements regarding their own power of attorney and their orders.

As for the full satisfaction of debt and interest on account of delay of periodic charges, the remainder of this clause governs. Expenditures in connection with goods or services of FED, which are charged periodically, such as fares, daily allowances, and costs for overnight stays, will be charged separately and have to be paid entirely by the trade partner. Traveling time is regarded as working time in this context. All stipulated discounts or price reductions shall not apply to these additional charges and must be agreed upon separately.

FED are only in full satisfaction of the contractual obligation if the money is transferred to the bank account given on the invoice or paid in cash to a person authorized to represent FED according to Canadian law. No other individuals are allowed to collect payments unless they can provide proof of fulfilling the necessary financial authorization requirements as specified under paragraph 1. Receipt of payment occurs at the place and on the day FED receives the payment. For bank transfers, it is the date of entry into FED's bank account. Bills of exchange or cheques are only accepted with the explicit reservation that FED actually receives the payment. All fees, costs and dues associated with the payment must be borne by the trade partner. The mere issuance of a check or draft is not acknowledged as payment and does not entitle the trade partner to cash discounts. Objections to a non-fulfilled contract and withholding of payment by the trade partner due to claims for damage and warranty are ruled out, regardless of their justification. The maturity of payment is not deferred because of such claims.

If discounts were agreed upon, the time limit for the discount starts running when the invoice has been forwarded by FED. The stipulated charges are payable according to the rules described above, regardless

of any agreed-upon discounts. Claims for warranty or counterclaims do not stop or extend the time limits for discounts. Agreed-upon cash discounts are void if payment is not made in full or not paid on time. FED, notwithstanding any declarations to the contrary, is authorized to use received payments to settle any payable obligations, including reminder fees resulting from overdue invoices, interest on late payments, and any other outstanding debts owed by the trade partner.

c. Effects of Arrears: On default of payment the trade partner has to pay 2% interest on arrears per month for the over due amount, a formal notification for this is not required. Interests payable on arrears are due immediately. In addition, the trade partner is obligated to refund FED all costs caused by arrears, such as expenditures for reminders for payments, collection attempts, warehouse charges and lawyer's fees (judicial or extra-judicial). On default of payment by the trade partner, FED is, without prejudice to any rights, authorized to stop their goods and/or to prolong deliver periods adequately, to set the maturity date immediately for outstanding debts arisen from this or other transactions and to pick up already supplied goods, without exonerating the trade partner of any of its duties. If payment is made by instalment, deadlines have to be fixed and met. If just one single instalment is not paid on time, the complete outstanding payment is due immediately. If deadlines are not met, interest for late payment are invoiced according to the rules mentioned above.

4. Obligations of a Trade Partner: When installations are made by members of FED, the trade partner is obligated to make all necessary arrangements in order that the employees can start working immediately after their arrival. The trade partner is responsible for arranging the necessary technical prerequisites for the work that has to be done and for the purchased goods that are given, and has to ensure that the technical installations, such as supply pipes, cable networks, and the like, are in a technical condition free of defects, ready for operation, and compatible with the purchased goods that are to be fabricated by FED. FED is entitled but not obligated to examine these installations for additional charges. There is neither any obligation for FED to check documents, given tasks or instruction by the trade partner, nor to warn, explain, or assume any legal liability for these issues. The order is given independently of possible necessary governmental permits and authorizations that have to be obtained by the trade partner.

5. Prohibition of Set-offs and Cessions: The trade partner is not entitled to set its claims off against FED's claims. Further, the trade partner may only cede rights from its contractual relationship with FED (in particular claims for warranty and compensation) to a third party, if there is an explicit approval which complies with a formal requirement of paragraph 1. In case of default, the trade partner is legally obligated to fully reimburse all reminder fees, costs, and cash payments in connection with the settlement of outstanding debts, including but not limited to collection agency fees, court costs, and any other expenses incurred by Ferntree Equipment & Distribution in recovering the owed amount. Ferntree Equipment & Distribution's headquarters (principal office) has been fixed as the place of performance for the trade partner's payment. Any disputes arising from this agreement shall be subject to the exclusive jurisdiction of the courts at Ferntree Equipment & Distribution's headquarters.

6. Security Rights: The trade partner is required to file a security interest (UCC-1) with respect to the delivered products with the secretary of state in the state where the products are located, with FED named as secured creditor, as long as the goods are not fully paid. A) **Reservation of Ownership Rights:** All goods remain property of FED until the stipulated price (including all fees and charges) is fully paid. This applies for the time after the delivery as well. As long as there are any open claims from contracts between FED and the trade partner, the trade partner must not sell, let, lend or mortgage any goods, given them away or take them abroad unless they have the consent of FED. The reservation of ownership rights remains valid even in the case when third parties acquire rights for the goods in good faith. Until

the outstanding debts are fully paid, FED has the right to check the existence and the condition of the goods at any time. Should a third party impound the goods, the trade partner has the duty to inform FED immediately by sending a registered letter. The record of the seizure, as well as the statutory declaration of the fact that the impounded good is identical with the goods consigned by FED and has not been paid for yet, are to be enclosed in the letter. In case of bankruptcy or Chapter 11 proceedings, the trade partner is obligated to inform FED immediately and to separate out all articles and claims that are under reservation of their ownership rights. Costs for any interventions have to be covered by the trade partner. Seizure of goods consigned under reservation of ownership rights on behalf of FED is not a relinquishment from reservation of ownership rights. FED is authorized to sell goods that have been taken back to third parties without having to check the adequacy of the same price. The proceeds from the disposal of the returned goods are to be subtracted from the original asking price. The resulting sum plus taxes and all costs that are related to the enforcement of the reservation of ownership rights has to be refunded to FED or to be accounted for with the already paid amount by the trade partner. B) Assignment of security interest: The trade partner has to cede all claims that arise from disposals, processing, mixing, utilization, or usage of products delivered by FED to FED for levy. IN case of other claims for damages, the trade partner commits itself to document all its payments in its books and invoices until all the charges are paid off completely according to the rules under paragraph 3 and to point them out to its debtors. The trade partner has to make available all documents and information that are necessary for the enforcement of its ceded claims and demands to the contractor, on request. C) Liens: To secure their claims in this and other legal transactions with the trade partner, FED has the right to retain products and goods until all open claims are settled. In addition, FED is authorized to retain products which were given to FED for adaptations or modification in order to secure their claims from this and other business relations with the trade partner until all open claims in the business relation are settled. The trade partner is obligated to agree with the goods' retention by FED until all outstanding amounts are fully settled and acknowledges that FED holds a lien on such goods as security for payment.

7. Terms of Delivery, Purchase, Default or Acceptance: Any time limits set by FED, especially delivery dates, are only mandatory if they have been confirmed in writing and are subject to change due to unforeseen circumstances, including but not limited to supplier and material shortages, customs issues, port protests, or other events that may effect the delivery schedule. Any alterations to original orders – for whatever reasons – result in the cancellation of fixed dates or time limits, unless other arrangements have been made. Time limits are performance deadlines are extended or postponed accordingly in case of acts of God or hindrances such as breakdowns, sovereign measures or interventions, difficulties with energy supply, loss of a difficult to replace supplier, strikes, hindrances in traffic routes, delay in customs clearance, etc., which influence deliver or service. Unless other arrangements have been made, the delivery period starts at the earliest on the date of the confirmation of order, on the date of compliance of all technical, commercial, or other conditions that are incumbent upon the trade partner, or on the date when FED receives an arranged deposit or surety. Of those three mentioned dates, the one that occurs latest is the one that determines the onset of the delivery period. The trade partner has to accept FED's goods as soon as FED demonstrates readiness for the delivery of goods. The trade partner must not reject acceptance because of minor deviations. If the trade partner defaults in the acceptance of orders, FED is – after having set an additional grace period of a maximum of 14 days – obligated to rescind the contract and/or claim damages because of non-fulfillment. If the trade partner does not accept goods that have been agreed upon, even though FED is ready to provide their goods, the trade partner must pay all stipulated charges or an adequate part. In addition, FED is authorized to retreat from this contract

and/or claim damages for non-fulfillment. FED is authorized to make deliveries in part of preliminary deliveries and to charge them. If a delivery was arranged to be ready on call (request), the service or the purchased good are regarded as requested six months after the order, at the latest. Joint liability is thereby excluded.

8. Risk Liability and Consignment: The trade partner assumes the risk of loss as soon as FED holds the purchased goods ready in the plant or in the store, regardless of whether FED has handed over the goods to a carrier. Consignment, loading and unloading, as well as transport, are always at the trade partner's risk. The trade partner accepts every kind of appropriate consignment. Transport (cargo) will only be insured if the trade partner requests it in writing. Payment for all goods, including packing and dispatch charges, is due in full before shipment. No goods will be shipped without full payment unless otherwise negotiated in writing. FED's head office (135 Hadari Rd, Guelph) or warehouse, located at 75 Dawson Rd in Guelph, is the place of fulfillment of all contractual obligations.

9. Guarantee, Liability, and Liquidated Damages for Breach of Contract: FED gives guarantee according to the following regulations: a) THE GUARANTEE FOR MOVABLE AND UNMOVABLE GOODS IS LIMITED IN TIME TO 12 MONTHS, starting with the risk transition according to the terms and conditions given in this document. B) Within the time limit mentioned above, the guarantee covers defects that were already present at the handover/deliver. Evidence for this has to be proffered by the trade partner. C) The trade partner has to document defects in writing after it has received the goods, and described the defects and possible causes in detail; otherwise the trade partner loses his claim for damages and warranty. Notice of defects FED is authorized to remedy these claims by offering price reduction, unless major and on-recoverable defects are involved. All costs that are related to the correction of defects, such as charges for transport, loading, unloading, or travelling costs are at the expense of the trade partner. On FED's request, the trade partner has to provide the necessary workforce free of charge. In case of warranty, the item or part in question shall be replaced, or, if applicable, repaired. FED IS ONLY LIABLE FOR DEFECTS WITHIN THE FRAMEWORK OF GUARANTEE GIVEN BY THE SUPPLIERS. SPENT COSTS FOR WAGES, REMOVALS, INSTALLATIONS, DISPATCH OR TRANSPORT ARE EXLUDED FROM WARRANTY. THE TRADE PARTNER MUST NOT CLAIM REIMBURSEMENT OF COSTS FROM FED FOR SELF-MADE CORRECTIONS OF DEFECTS, unless this was explicitly agreed upon by FED before the correction of defects. Corrections of defects by FED do not affect the time limit of the warranty. Corrections or attempts to improve items do not extend the originally stipulated time limit of 12 months, starting with the date of delivery. The trade partner is not entitled to claim reimbursement of costs from FED for self-made corrections of defects, unless he has written permission by FED. FED IS NOT LEGALLY LIABLE FOR DETRIMENTS TO THE TRADE PARTNER, SUCH AS DELAY, IMPOSSIBILITY, BAD IMPLEMENTATION, NON-CONTRACTUAL LIABILITY, OR FOR ANY OTHER LEGAL JUSTIFICATION, UNLESS DAMAGES WERE MADE ON PURPOSE OR CASUED BY GROSS NEGLIGENCE.

Any claims regarding defects or damages must be submitted to FED in writing before the consignment or handover is completed. After the consignment/handover, complaints will no longer be accepted. Should the need arise, the trade partner has to engage experts to examine the goods before the handover takes place – at his own costs. In case of non-compliance, later complaints claiming that defects were hidden, are not accepted. ADDITIONAL CLAIMS FOR WARRANTY ARE RULED OUT. In addition, claims for damages or warranties are ruled out, if technical installations that have to be supplied by the trade partner itself (or by people acting on its behalf), such as supply pipes, cables, networks or things alike, are not in a technically flawless condition and ready to operate, or if they are not compatible with products that were purchased from or that are to be manufactured by FED. Further, claims for damages or warranties are

unacceptable: if defects were caused by incorrect usage or over-use; if legally required regulations or operating and installing instructions issued by FED or the manufacturer were not followed; if the delivery item was made according to instructions of the trade partner and those instructions or the outlines/drafts cause the defect; if the assembly, installation or commissioning was done incorrectly by the trade partner or a third party; if there are normal wear and tear or damages in transit; if a product is stored improperly if operating conditions are causing damages of any kind (e.g. inadequate power supply); if there were any chemical, electrochemical or electrical impairments; if products are not maintained properly, or if services are done badly. FED IS AUTHORIZED TO MAKE (OR ORDER) ANY INVESTIGATIONS, WHICH ARE REGARDED AS NECESSARY BY FED, EVEN IF THE GOODS OR WORK PIECES MIGHT GET UNUSABLE AS A RESULT. If those investigations prove that the examined defects were not caused by FED or the manufacturer, the trade partner has to accept the reasonable costs for the investigation. If goods or services are made according to information, drawings, schemes, models or other specifications from the trade partner, FED can only guarantee for workmanship according to the prescribed conditions. If the trade partner tampers with purchased goods or makes any changes without having obtained written authorization by FED, FED's warranties and their duty to pay for compensation lapses. If secondary claims for warranty are asserted, they must be submitted in writing within the warranty period, and the trade partner must provide documented proof of the defect and its origin, otherwise FED reserves the right to reject claims that do not meet the stated requirements. For further details regarding the scope, exclusion, and limitations of the warranty provided by FED, please refer to FED's Limited Warranty document, which shall govern in case of any discrepancies or additional stipulations not covered herein.

FERNTREE EQUIPMENT & DISTRIBUTION (FED), operating on behalf of 12291819 Canada Inc., provides this limited warranty for the products it imports and distributes, while expressly disclaiming liability for damages arising from negligence, misuse, or failure to follow operating instructions. The trade partner bears the burden of proof for: damage occurrence, the extent of excluded in general. The trade partner is obligated to ensure that every user follows the operating instructions for the supplied goods. It is important for the trade partner to train its employees and other people who work with the supplied goods and instruct them accordingly. The trade partner has the duty to transfer the non-warranty clause for product liability claims to his contracting parties and bind them by contract. If the trade partner is sued under a product liability cause of action, the trade partner cannot take regress against FED. The trade partner has to carry a product liability insurance that adequately protects itself and, ultimately, FED. If liquidated damages are agreed upon for breach of contract, the enforcement of a claim for damages that exceed such liquidated damages are ruled out. If, however, the actual damages are lower than the agreed upon liquidated damages, FED is authorized to pay actual damages only.

10. Revocation, Cancellation of a Contract, Liquidated Damages for Non-Performance: In case of default, FED is entitled to withdraw from the contract without granting a grace period. FED is then authorized to bill all the goods that were ordered and produced before the cancellation of the contract and to make the charges payable. The regulations under paragraph 3.b concerning maturity and payment obligations are similarly applicable. If the trade partner files for bankruptcy in federal court, FED may void the contract. In case of bankruptcy of the trade partner, the contractual relationship automatically terminates. In such case, damage, causality, illegality and fault. EXCLUSION OF LIABILITY/WARRANTY APPLIES PARTICULARLY TO CLAIM FOR COMPENSATION OF: CONSEQUENTIAL DAMAGES, INDIRECT DEFECTS, LOST PROFIT, LOSS OF INTEREST, OTHER ACTUAL LOSSES, LOSSES ARISING FROM DISCONTINUITIES/INTERRUPTIONS OF WORK LOSS OF DATA, BREACH OF THE OBLIGATIONS OF WORK,

LOSS OF DATA, BREACH OF THE OBLIGATION TO PROTECT THIRD PARTIES AND THIRD PARTIES DEMANDS FROM THE TRADE PARTNER. In case of engagement of a third party, the trade partner must keep FED free from complaints and damages. FED's LIABILITY IS IN ANY CASE LIMITED ACCORDING TO AMOUNT – the maximum being the stipulated charge of the purchase price of the order in question. Contracts are only accepted with the provision of this limitation of liability. ADDITIONAL LIABILITY OF THE FIRM ACCEPTING THE ORDER IS EXPLICITLY RULED OUT. If the total damage exceeds the maximum amount, then all aggrieved parties claims for compensation decrease proportionally. The trade partner has to inform FED immediately about detected defects of goods; otherwise all rights for the claims are lost. Claims for compensation must always be asserted WITHIN 12 MONTHS AFTER THE HADOVER OF THE GOODS AS SOON AS DAMAGES ARE DISCOVERED; otherwise all right for compensation is lost. The obligation to document defects in writing immediately after receipt of goods and to describe defects and possible causes (mentioned under 9.c) remains valid. The trade partner may claim improvements or replacement of goods as compensation; only if both is impossible or, if it would cause disproportional expenses for FED, the trade partner may demand financial substitutions. In case of failure to comply with necessary conditions for assembly, implementation and usage, or with government agency admission requirements, liability is excluded. FED may, at its own discretion, offer to continue to fulfill its obligations, but only if certain conditions are met or if it is feasible to do so.

11. Business Trade Mark Rights: The trade partner is responsible to ensure that trade or service mark rights of third party are not interfered with by designs, drafts, models or other specifications that are handed over for production. In case of failure to comply with trade and service mark rights, the trade partner shall hold FED harmless. Software, schemes, draft versions, cost estimates and other technical documents to which can also be part of an offer, as well as samples, catalogues, brochures, maps and such like, remain FED's intellectual property at all times. All forms of visualization, duplication, reproduction, distribution or issuance to third partes, publication or presentation is forbidden, unless the trade partner receives FED's explicit approval.

12. Secrecy, Data Protection: Trade partners are obligated to keep confidential information and trade secrets confidential and to use them only for the legitimate completions of tasks, not for their own advantages or for those of third parties. The same applies to other confidential information or matters of third parties, which are confided or are learned in connection with the fulfillment of orders. The obligation for confidentiality does not extend to information that is already known or information that is learned outside the contract. Additional legal obligations to maintain secrecy are unaffected. Such obligations for secrecy remain valid even after the completion of the contract.

13. General Clauses: Legally void clauses of the contract do not influence the validity of the other clauses. In such case, the contracting parties must replace these legally void clauses by clauses that approach as closely as possible the economic interest and the legal purpose of the legally void clauses. The trade partner has to notify FED immediately and in writing about important changes, such as any alterations to their name, the company, address, or its legal form. Place of performance for both contracting parties is the principal office of the trade partner. The contracting parties agree that this contract shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. Both parties agree to submit all disputes arising from or in connection with this contract to the exclusive jurisdiction of the courts of Guelph Ontario. The parties further agree that the United Nations Convention on contracts for the international sale of goods shall not apply. In the event that any legal action or proceeding is instituted under or in relation to this contract, including but not limited to the enforcement of any contractual provision, the prevailing party shall be entitled to recover its reasonable legal costs

and expenses. If the fulfillment of the contract becomes impossible due to reasons not caused by FED, FED's contractual obligations are extinguished. In addition, FED is authorized to withdraw from a contract if FED learns of certain circumstances (after the contract has already been entered into) which raise doubts about the trade partner's willingness or capacity to fulfill the contract. In case of such a withdrawal, the trade partner is not entitled to any claims and has no rights against FED. The trade partner waives its right to modify the contract because of mistakes. In the event of a dispute arising from this contract, the prevailing party shall have the right to recover from the losing party all fees, costs, and expenses of enforcing any right of such prevailing party under or with respect to this contract, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs, and expenses of appeals.