



PURCHASE ORDER TERMS AND CONDITIONS

1. DEFINITIONS:

- I. "Agreement" means the Buyer's agreement to purchase the Goods and/or Services from the Seller.
- II. "Buyer" means Tundra Process Solutions Ltd purchasing from the Seller.
- III. "Seller" means the company, partnership, person or entity selling the Goods and/or Service(s) identified within the Purchase Documents.
- IV. "Goods" means the equipment parts and materials being purchased by the Buyer identified in the Purchase Documents.
- V. "Services" means any and all engineering, technical, and mechanical services of any description or kind to be provided by the Seller.
- VI. "Purchase Documents" means the documents accompanying these Terms and Conditions which more fully describe the Products and/or Services being purchased from the Seller, including, as applicable, the Buyer's request for quotation, purchase orders, and the Seller's quotation.

2. APPLICATION:

These Terms and Conditions apply to every purchase of Goods and every supply of Services by the Seller to the Buyer. The Seller specifically agrees and acknowledges that unless the Buyer agrees in writing to a modification of these Terms and Conditions, these Terms and Conditions apply and take precedence over any of the Seller's Terms and Conditions whether set out in the Purchase Documents or otherwise.

3. REPRESENTATION:

Seller represents and warrants that the Goods:

- I. Shall be free from all latent and other defects or deficiencies
- II. Shall be of merchantable quality
- III. Shall be fit for the purpose for which the Goods have been manufactured, fabricated or supplied, and
- IV. Are now, and shall continue to be, free and clear of all liens, encumbrances, and adverse claims, demands or other interests.

4. WARRANTY

- I. The Seller shall, at its own risk and expense, including all costs to access the Goods, remedy without delay any defects or deficiencies in the Goods discovered within 24 months after delivery of the Goods or 12 months after the Goods are put into service, whichever occurs first.
- II. Should the Seller fail to promptly remedy the defects or deficiencies in accordance with (4 I.), Buyer may proceed with activities necessary to remedy the defects or deficiencies and the Seller shall indemnify and hold harmless Buyer from any claim suffered, sustained, paid or incurred by Buyer.

5. RETURN OF GOODS:

In the event that any Goods are delivered in error, rejected as not being in accordance with the Purchase Order, or overages in excess of trade practice, then Buyer shall have the right to return such Goods at the Seller's expense and risk.

6. LIABILITY AND INDEMNIFICATION:

The Seller agrees that it shall be liable to and indemnify and hold harmless for all claims whatsoever which the Buyer may suffer, sustain, pay or incur as a result of (i) the negligence; and (ii) breach of contract, of the Seller arising out of or incidental to the performance or non-performance of the Seller's obligations or the provision of the Goods under the Purchase Order.

7. TITLE TRANSFER:

Title to the Goods or part thereof shall be vested in the Buyer when the first of the following events occurs: the Goods of portion thereof are received at the Buyer's facility referenced within the Purchase Order, or Buyer pays for the Goods or part thereof. Any transfer or title to the Goods shall be without prejudice to Buyer's rights to refuse the Goods in case of non-conformity with the requirements of the Purchase Order.

8. PRICES:

Unless otherwise specified by the Seller, the Seller's price for the sale of Product(s) will remain in effect for forty-five (45) days from the date provided. Prices specified in the Purchase Documents shall, unless otherwise expressly stated, be fixed and in the currency stated in the Agreement, inclusive of export taxes, duties in the country of origin, tariffs, surcharges or any other charges of any kind levied by any governmental or regulatory authority on the prices or any part of them, but exclusive of any Canadian federal or provincial taxes (namely, HST, GST and/or PST) which, if applicable, shall be shown as a separate line item on the Seller's invoice.

9. TERMS OF PAYMENT:

The Buyer shall pay the Seller price of the Product(s) and/or Services provided within sixty (60) days from the date of the Seller's invoice. Notwithstanding any other provision, an amount otherwise due to the Seller may be withheld, without payment of interest, if, in the opinion of the Buyer, it is necessary to protect the Buyer from loss on account of the Seller failing to provide the Goods in accordance with the terms of the Purchase Order, being in material default of any condition of the Purchase Order, including without limitation, quality assurance not promptly remedying defective or deficient Goods and if and when the cause of the withholding of any amount is removed and satisfactory evidence of such removal is furnished to Buyer, Buyer shall promptly pay the amount withheld to the Seller pertaining to such cause.

10. DELIVERY:

Deliveries shall be in strict accordance with the schedule set out within the Purchase Order. All Goods shall be delivered to the Buyer to the location and under the terms specified within the Purchase Order.

11. DOCUMENTATION:

The Seller shall supply the Buyer with the documentation in the format and schedule specified in the Purchase Order.

12. TAXES:

With the exception of goods and services tax, tax / harmonized sales tax (as defined in the Excise Tax Act (Canada) payable on amounts due to Seller, payment of which shall remain the responsibility of Buyer, the Seller shall pay all taxes in relation to the Goods supplied under the Purchase Order in compliance with applicable Law. Seller shall indemnify and save harmless the Buyer from any and all claims which may be made or assessed against Buyer in respect of the Seller's obligation described in (12) above.

13. ASSIGNMENT:

Seller shall not assign its rights or obligations under this Agreement without Buyer's prior written consent.

13. INDEMNITY:

The Seller agrees to protect, defend, and indemnify the Buyer, its respective officers, directors, employees, and consultants from and against any and all claims, demands, losses, causes of action, liability and costs of every kind and nature arising out of or connected in any way with damage to property, personal injury, or death of the Buyer's employees, or third parties alleged to have been caused by any negligent act or willful misconduct of the Seller connected with the Product(s) and/or Services provided by the Seller. The Buyer agrees to protect, defend, and indemnify the Seller, its respective officers, directors, employees, and consultants from and against all claims, demands, losses, causes of action, liability and costs (including all legal costs and attorney fees) of every kind and nature arising out of or connected in any way with damage to property, personal injury, or death of the Seller's employees or third parties alleged to have been caused by any negligent act or willful misconduct of the Buyer.

14. FORCE MAJEURE:

Neither Buyer or Seller shall be held responsible for any delay or failure in performance hereunder caused by acts of God, war, riots, fire, explosion, flood, strike, lock-out, injunction, governmental laws or regulations, or any other cause beyond the control of such party, preventing the manufacture, shipment, acceptance, or use of Goods; provided that, the party who is affected or threatened by such an event immediately notifies the other part of the nature and estimated effect upon its performance hereunder.

15. ENTIRE AGREEMENT:

These Terms and Conditions herein constitute and represent the complete and entire agreement between Buyer and Seller and supersede all previous communications, either verbal or written. Seller's request for exceptions to Buyers' Terms and Conditions must be submitted to the Buyer in writing and shall not apply unless specifically and formally accepted by the Buyer in writing.

15. GENERAL PROVISIONS:

- I. Time Is of the essence with respect to all provisions of under these Terms and Conditions and subsequent Purchase Order(s).
- II. This Agreement is formed and shall be construed, performed, and enforced under the laws of the Province of Alberta. Any suit, action, or proceeding arising out of or connected in any way with this Agreement shall be brought in a Court of the Province of Alberta which the parties shall have exclusive jurisdiction to hear and resolve such disputes, subject only to the parties agreeing to resolve such disputes through arbitration.