

**1. Scope:** The terms and conditions (“**Terms**”) contained herein shall apply to this sales order, invoice or customer purchase order (the “**Order**”) (the Terms and the Order together referred to herein as the “**Contract**”) as accepted by Strad Canada Inc. and its affiliates or subsidiaries and their respective successors or assigns (collectively, “**Strad**”) for the sale of any and all goods (“**Goods**”) to the purchaser (“**Purchaser**”). If a master agreement exists between Strad and Purchaser to govern the supply of Goods identified in the Order, the terms and conditions of the master agreement shall apply to such Goods and services related to providing the Goods (the “**Services**”). These Terms apply in the absence of a master agreement or where a master agreement exists but is silent as to a term, and in lieu of any course of dealing between the parties or usage of trade in the industry. In the event of any conflict or inconsistency between these Terms and any terms and conditions in Purchaser’s order or in any other form or procurement document issued by Purchaser, these Terms shall prevail, irrespective of whether Purchaser accepts these Terms by a written acknowledgement. Strad’s failure to object to provisions contained in any communication from Purchaser shall not be deemed an acceptance of such provisions or a waiver of the provisions herein. Any changes in the Contract must specifically be agreed to in writing and signed by Strad.

**2. Price and Terms of Payment:** The purchase price (“**Price**”) for the Goods shall be specified on the Order. The Price is payable without offset, back charge, retention, holdback or withholding of any kind. Price excludes the cost of packing and crating, carrier costs or insurance charges, unless stated otherwise on the Order. The Price may be subject to increase on written notice from Strad in the event of price increases imposed by Strad’s suppliers or a change in market conditions. Purchaser shall pay invoiced charges thirty (30) days from date of Strad’s invoice, with a service and interest charge of two (2%) percent per month (24% per annum) on past due invoices applying. If Purchaser defaults on any payment when due or refuses to accept delivery or becomes insolvent, Strad at its option, without prejudice to other lawful remedies, may defer deliveries or cancel the remainder of the Order under the Contract. Goods held for Purchaser shall be at the risk and expense of Purchaser. If Purchaser’s financial condition is or becomes unsatisfactory to Strad, Strad reserves the right to cancel shipment at any time prior to delivery of the Goods without further obligation or liability on Strad’s part. Unless otherwise specified in the Order, all payments are to be in Canadian dollars. In the event that Strad is required to bring legal action to collect delinquent accounts, Purchaser agrees to pay Strad’s legal

fees, including attorneys’ fees, on a solicitor and its own client basis.

**3. Taxes:** The Price and fees for any Goods or Services do not include any customs duties, import duties, excise taxes, value added taxes or other taxes, charges or levies levied by any governmental agency or body, as applicable, having jurisdiction over this Contract (“**Taxes**”). Strad shall in no way be responsible in whole or in part for payment of such Taxes. Purchaser shall be responsible for payment of all Taxes and shall be liable for customs clearance for the Goods.

**4. Termination by Purchaser and Changes:** Purchaser expressly acknowledges that no Order may be cancelled or altered, in whole or in part, by Purchaser unless Strad agrees in writing. For any Strad-approved change that reduces an Order, Strad shall receive payment in full from Purchaser of all costs committed until the time of the change, plus a reasonable amount for Strad’s overhead and profit. Any changes to an Order requested by Purchaser may affect or delay the delivery and Price of the Goods and must be agreed to by the parties in writing and signed by Strad.

**5. Delivery:** Unless otherwise specified in the Order, the Goods shall be delivered F.O.B. (Point of Origin). The Goods shall be and remain at the risk of Strad until delivery to Purchaser, its agent, or the carrier for transportation to Purchaser (the “**Delivery Point**”), whichever occurs first. The Goods shall be at the risk of Purchaser after delivery to the Delivery Point. If an Order calls for additional Services to be performed after delivery, Strad shall retain title until the additional services have been performed unless Strad is authorized to invoice Purchaser for Goods prior to the performance of Services, in which case, title to the Goods shall vest in Purchaser upon payment of the invoice. Strad may, in its sole discretion, without liability or penalty, make partial shipments of Goods to Purchaser. Each shipment will constitute a separate sale, and Purchaser shall pay for the units shipped whether such shipment is in whole or partial fulfilment of the Order. Purchaser shall notify Strad of any visible defects, quantity shortages or incorrect product shipments within seven (7) days of receipt of the shipment. Failure to notify Strad in writing of any visible defects in the products or of quantity shortages or incorrect shipments within such period shall be deemed an unqualified waiver of any rights to return products on the basis of visible defects, shortages or incorrect shipments. The estimated shipping date is based on availability of the Goods at the date of the Order. Strad shall use reasonable commercial efforts to deliver the Goods within the time agreed but, shall in no circumstance be liable for any loss or damage, consequential or

otherwise, caused directly or indirectly, by any delay in delivery.

**6. Non-Delivery:** The quantity of any instalment of Goods as recorded by Strad on dispatch from Strad's place of business is conclusive evidence of the quantity received by Purchaser on delivery unless Purchaser can provide conclusive evidence proving the contrary. Strad shall not be liable for any non-delivery of Goods unless Purchaser gives written notice to Strad of the non-delivery within five (5) days of the date when the Goods would in the ordinary course of events have been received. Any liability of Strad for non-delivery of the Goods shall be limited to replacing the Goods within a reasonable time or adjusting the invoice respecting such Goods to reflect the actual quantity delivered. Purchaser acknowledges and agrees that the remedies set forth in Sections 5 and 6 are the Purchaser's exclusive remedies for the delivery of non-conforming Goods. Except as provided under Sections 5 and 6, all sales of Goods to Purchaser are final sales and Purchaser has no right to return Goods purchased under the Contract to Strad.

**7. Purchaser's Acts or Omissions:** If Strad's performance of its obligations under the Contract is prevented or delayed by any act or omission of Purchaser or its agents, subcontractors, consultants or employees, Strad shall not be deemed in breach of its obligations under the Contract or otherwise liable for any costs, charges or losses sustained or incurred by Purchaser, in each case, to the extent arising directly or indirectly from such prevention or delay.

**8. Trucking, Carrier and Third Party Services:** When set forth in the Order, Strad shall make arrangements on behalf of Purchaser for trucking and transportation services to ship the Goods to the Delivery Point. Trucking and carrier services will be shown separately on all Strad invoices. As compensation for arranging such carrier services, Purchaser agrees to pay Strad a ten (10%) percent markup on all carrier services charges, unless otherwise agreed in writing by both parties. Where Strad is able to obtain a supplier discount from a carrier or other third party service provider subsequent to providing a quotation or entering into the Order (the "**Discount**"), Strad shall not be obligated to reduce its third party charges except to the extent Purchaser is directly responsible for Strad obtaining such Discount.

**9. Title:** In the event the Goods are delivered to Purchaser before Purchaser has paid the Price, Strad shall retain a security interest in the goods to secure Purchaser's obligation to pay Strad the Price. Purchaser hereby grants to Strad a Purchase Money Security Interest ("**PMSI**"), as

that term is defined in applicable statutes, in all Goods delivered to Purchaser pursuant to this Contract and all proceeds thereof. The PMSI granted shall attach to, and be perfected in, all Goods sold to Strad hereunder and all proceeds thereof. Purchaser hereby makes, constitutes, and appoints Strad, with full power of substitution, its true and lawful attorney-in-fact for it and in its name, place, and stead and for its use and benefit, to sign, authenticate, execute, certify, acknowledge, swear to, file and/or record all financing statements, certificates, agreements and other documents which Strad deems necessary in the exercise of its sole discretion to perfect, maintain, continue, terminate or release the security interest(s) granted hereby. The power of attorney granted hereby is a special, irrevocable power of attorney coupled with an interest.

**10. Warranty:** The Goods furnished are substantially free from material defects of workmanship and materials. Services shall be performed in accordance with recognized industry practice prevailing at the time for the provision of similar services in the location in which such Services are being performed. Purchaser's sole remedy for any non-conformance with the foregoing warranty will be the repair or replacement of such Goods found to be defective under normal use and service within thirty (30) days from date of shipment to the Delivery Point, or in the case of Services, thirty (30) days from the date of completion, provided Strad is promptly notified in writing upon discovery of such non-conformance. Goods shall not be returned to Strad or modified without Strad's written consent. Strad is not responsible for damages caused by improper installation or maintenance, overloading, accident, neglect or harmful alterations or repairs made by others; nor shall Strad be liable for costs of any kind associated with gaining access to the Goods for repair or removal and replacement by any person. CORRECTION OF ANY NON-CONFORMITY IN THE MANNER AND FOR THE PERIOD OF TIME ABOVE SHALL CONSTITUTE COMPLETE FULFILLMENT OF ALL THE LIABILITIES OF STRAD WHETHER THE CLAIMS OF PURCHASER ARE BASED IN CONTRACT, INCLUDING FUNDAMENTAL BREACH, IN TORT, INCLUDING NEGLIGENCE, STATUTE OR OTHERWISE WITH RESPECT TO OR ARISING OUT OF THE WORK PERFORMED HEREUNDER. EXCEPT TO THE EXTENT EXPRESSLY SET FORTH HEREIN, STRAD MAKES NO, AND EXPRESSLY DISCLAIMS ANY AND ALL, REPRESENTATIONS, WARRANTIES, CONDITIONS, COVENANTS, GUARANTEES AND/OR ASSURANCES, WHETHER EXPRESS OR IMPLIED, RELATING TO OR ARISING OUT OF THE GOODS AND/OR THIS CONTRACT,

INCLUDING WITHOUT LIMITATION, ANY IMPLIED REPRESENTATIONS, WARRANTIES, CONDITIONS, COVENANTS AND/OR GUARANTEES AS TO MERCHANTABILITY, MERCHANTABILITY, QUALITY, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, FITNESS FOR A PARTICULAR PURPOSE AND THOSE ARISING BY STATUTE OR OTHERWISE, OR FROM A COURSE OF DEALING OR USAGE OR TRADE. PURCHASER'S SOLE REMEDY FOR A BREACH OF THIS LIMITED WARRANTY, FOR ANY OTHER LIABILITY UNDER THIS AGREEMENT, OR FOR ANY WARRANTY THAT CANNOT BE EXCLUDED OR DISCLAIMED AS PROVIDED IN ANY APPLICABLE LAW, SHALL BE LIMITED AS PROVIDED IN THIS SECTION.

**11. LIMITED LIABILITY:** UNDER NO CIRCUMSTANCE SHALL STRAD BE LIABLE TO PURCHASER OR ANY OTHER PARTY FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO, THE COST OF LABOUR, REQUALIFICATION, REWORK, DELAY, LOST PROFITS, OR LOSS OF GOODWILL ARISING OUT OF THE SALE, INSTALLATION OR USE OF THE GOODS. IF STRAD HAS ANY LIABILITY FOR BREACH OF CONTRACT, BREACH OF ANY IMPLIED CONDITION, WARRANTY OR REPRESENTATION, TORT OR UNDER ANY OTHER THEORY OF LAW THE AGGREGATE LIABILITY OF STRAD TO PURCHASER SHALL BE LIMITED IN RESPECT OF ANY OCCURRENCE OR SERIES OF OCCURRENCES TO THE CONTRACTUAL VALUE OF THE GOODS, PRODUCTS OR SERVICES THAT ARE THE SUBJECT OF THE SPECIFIC ORDER RELATING TO THE GOODS, PRODUCTS OR SERVICES TO WHICH SUCH LIABILITY IS ATTRIBUTABLE. ALL GOODS PURCHASED HEREUNDER ARE AT PURCHASER'S RISK. WELL CONDITIONS WHICH PREVENT SATISFACTORY OPERATION OF GOODS SHALL NOT RELIEVE PURCHASER OF ITS RESPONSIBILITY FOR PAYMENT IN ACCORDANCE WITH THIS CONTRACT. PURCHASER SHALL BE RESPONSIBLE FOR ANY SURFACE OR SUBSURFACE DAMAGE TO ANY WELL, IRRESPECTIVE OF THE CAUSE, THAT MAY RESULT FROM THE USE OF SUCH GOODS AND STRAD SHALL HAVE NO LIABILITY IN RELATION THERETO. PURCHASER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS STRAD FROM

ANY AND ALL CLAIMS, LAWSUITS, LIABILITIES, AND CAUSES OF ACTION FOR INJURY OR DEATH OF ANY PERSON OR FOR DAMAGE TO OR DESTRUCTION OF PROPERTY CAUSED BY GOODS PURCHASED OR SERVICES PERFORMED HEREUNDER OR IN ANY WAY ARISING OUT OF THIS CONTRACT.

**12. Confidentiality and Intellectual Property:** Strad Goods and related documentation contain technology and information protected by patents and applications for patents, copyright and intellectual property law, and utilize proprietary information, trade secrets, concepts, know-how, manufacturing techniques and confidential information (collectively "**Proprietary Information**"). In connection with the sale of the Goods to Purchaser, Strad may provide Proprietary Information about the goods to Purchaser. Purchaser is strictly prohibited from, and agrees that it will not, nor cause a third party, to take any action that is intended to discover the Proprietary Information, including, but not limited to, reverse engineering, taking detailed photographs and/or disassembling the Goods, or using the Proprietary Information in any other manner detrimental to Strad or its licensors including, but not limited to, manufacturing similar goods and/or parts. Except as required by law, Purchaser shall not use (except for purposes connected with the performance of its obligations hereunder), divulge or communicate to any third party any Proprietary Information. Strad shall be entitled to injunctive relief for any violation of this Section.

**13. Compliance with Law:** Purchaser shall comply with all applicable laws, regulations and ordinances. Purchaser shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under the Contract. Purchaser shall comply with all export and import laws of all countries involved in the sale of the Goods under the Contract or any resale of the Goods by Purchaser. Purchaser assumes all responsibility for shipments of Goods requiring any government import clearance. Strad may terminate the Contract if any governmental authority imposes antidumping or countervailing duties or any other penalties on Goods.

**14. Termination:** In addition to any remedies that may be provided under the Contract, Strad may terminate the Contract with immediate effect upon written notice to Purchaser, if Purchaser: (i) fails to pay any amount when due under the Contract; (ii) has not otherwise performed or complied with any provisions of the Contract, in whole or in part; or (iii) becomes insolvent, files a petition for

bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.

**15. Force Majeure:** The parties shall not be liable for any damage or penalty for delay in delivery or for the failure to give notice of delay when such delay is due to unusually severe conditions, acts of god, act of civil or military authority, war, riots, concerted labour action, or any other causes which could not have been anticipated and are beyond the reasonable control of a party. The anticipated delivery date shall be deemed extended for a period of time equal to the time lost due to any delay excusable under this provision.

**16. No Third-Party Beneficiaries.** This Contract is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.

**17. Dispute Resolution:** Any dispute, controversy or claim arising out of or relating to the Contract, or to the breach, termination or invalidity thereof (“**Dispute**”) shall be submitted by the party identifying the Dispute to the manager of each party for negotiation and resolution by delivery of a Dispute Notice. The parties’ respective managers shall negotiate in good faith to resolve the Dispute. If the parties cannot resolve any Dispute within ten (10) business days after delivery of the applicable Dispute Notice, either party may file an action in a court of competent jurisdiction in accordance with the provisions of Section 18.

**18. Choice of Law:** This Contract is governed by the laws of the Province of Alberta and the parties irrevocably submit to the exclusive jurisdiction of the Court of Queen’s bench in the City of Calgary, Alberta. The parties expressly exclude the application of the United Nations Convention on Contracts for the International Sale of Goods. In any action brought in relation to the subject matter herein, the party not prevailing in a court of law will pay all costs and expenses, including reasonable attorneys’ fees, incurred in enforcing any terms, covenants and indemnities provided herein.

**19. Notices:** All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a “**Notice**”) shall be in writing and addressed to the parties at the addresses set forth on the face of the Contract or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight

courier (with all fees pre-paid), facsimile (with confirmation of transmissions) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided by the Contract, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

**20. Survival:** Provisions of the Contract, which by their nature should apply beyond their terms, will remain in force after any termination or expiration of the Contract, including, but not limited to, the following provisions: Price and Terms of Payment, Warranty, Limited Liability, Confidentiality and Intellectual Property, Choice of Law, and Survival.

**21. General Provisions:** Strad and Purchaser are independent contractors. This Contract constitutes the final written expression of all of the agreements between the parties with respect to the subject matter, and supersedes all understandings and negotiations concerning the matters specified herein. Each of the parties shall at the request of the other without cost or expense execute and deliver any further documents and do all acts and things as reasonably required to carry out the intent of this Contract. No failure or delay by a party in exercising any right, power or privilege shall operate as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. If any provision of this Contract shall be found to be invalid or illegal by reason of any determination made by a court of competent jurisdiction or any governmental authority having jurisdiction in the circumstances, such provisions shall be severed from this contract to the extent of such invalidity or illegality and the validity, legality or enforceability of the remaining provisions of this Contract shall not in way be affected or impaired thereby. The subsequent execution by Strad of any Purchaser field tickets, forms, receipts, invoices, terms of services, etc. shall not amend or modify the terms of this Contract. Any amendment or modification to this Contract must be in writing and signed by both of the parties. This Contract shall be assignable by Strad to any of its subsidiaries, affiliates or successors without the consent of Purchaser. Purchaser shall not assign this Contract without Strad’s prior written consent. This Contract shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns. No assignment or delegation relieves Purchaser of any of its obligations under the Contract. The parties may execute this Contract by facsimile or other electronic means and in separate counterparts, each of which when so executed and

delivered shall be an original, and all such counterparts taken together shall constitute one instrument. The terms of this Contract are confidential and shall not be disclosed to any third party. Purchaser shall not use Strad's name in connection with any publicity, release or advertisement without Strad's prior written authorization.