



## Schedule A

### General Terms & Conditions of Sales

1. Buyer shall give Seller reasonable notice covering shipments and Seller shall not be required to deliver in any month more than the monthly quantity herein specified, or if no monthly quantity is specified, more than the pro rata amount of the maximum annual quantity provided for. Seller shall not be bound to render delivery of any quantities for which Buyer has not given shipping instructions. Upon delivery by Seller of product purchased hereunder, the Buyer assumes the entire risk of damage to or loss of any products from any cause after delivery.
2. No liability of the Seller shall result from delay in performance or non-performance in whole or in part if performance as agreed has been made impracticable by compliance in good faith with any applicable foreign or domestic governmental regulation or order whether or not it later proves to be invalid, or by the occurrence of a contingency the non-occurrence of which was a basic assumption on which this contract was made, including but not limited to, acts of God, fire, flood, accident, riot, war, sabotage, strike, labor trouble or shortage, or embargo. Seller's inability to obtain any required raw material, energy source, equipment, labor or transportation, shall also be sufficient to relieve Seller of its obligation to perform hereunder. If any of such circumstances affects only a part of seller's capacity to perform, Seller shall have the right to allocate production and deliveries among all of its Buyers on a pro rata basis determined by the Seller. Quantities affected by this paragraph may, at the option of either party, be eliminated from the contract without liability, but the contract shall otherwise remain in full force and effect.
3. The prices for product shall be paid in CND or US dollar. Payment terms are net 30 days unless otherwise indicated on the invoice. Unpaid invoices are considered overdue 15 days after due date, and will incur a late fee of 2.00% APY compounded monthly. Interest shall be calculated from the date that the amount becomes overdue, regardless of whether a demand for payment was made. Seller reserves its right, among other remedies, to suspend further deliveries under it in the event Buyer fails to pay for any one shipment when payment becomes due. Should Buyer's financial responsibility become unsatisfactory to Seller, cash payments or satisfactory security may be required by Seller.
4. Seller warrants title to the product sold hereunder such that, at the time of delivery to Buyer's location, the product conforms to Seller's specifications and that the sale or use will not infringe the claims of any United States of America or Canadian patent covering the product itself. Seller does not warrant against infringement which might arise by the use of said product in any combination with other products or arising in the operation of any process. If the product fails to meet said warranties, Seller shall replace the non-conforming product at no cost to the Buyer. The foregoing is Buyer's sole and exclusive remedy for failure of Seller to deliver or supply product that meets the foregoing warranties. SELLER MAKES NO OTHER WARRANTY OF ANY KIND EXPRESS OR IMPLIED INCLUDING ANY WARRANTY OF FITNESS OF THE PRODUCT FOR ANY PARTICULAR PURPOSE EVEN IF THAT PURPOSE IS KNOWN TO SELLER. ANY APPLICATION INFORMATION OR ASSISTANCE WHICH SELLER MAY FURNISH

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**Silox Canada inc.**



TO BUYER IS GRATUITOUS AND SHALL IN NO WAY BE DEEMED AS PART OF THE SALE OF THE PRODUCT THEREUNDER OR A WARRANTY OF THE RESULTS OBTAINED THROUGHOUT THE USE OF SUCH PRODUCT.

5. Seller's liability with respect to this contract and the products purchased under it shall not exceed the purchase price of the portion of such product as to which liability arises. After delivery to Buyer, Seller shall not be liable for any injury, loss or damage resulting from the handling or delivery of the product shipped hereunder. In no event shall Seller be liable for special, incidental, or consequential damages, howsoever occurring, including but not limited to loss of profits, capital or business opportunity, downtime costs, or claims of Buyer. Failure to give Seller notice of any claim within the timeframe specified below shall constitute a waiver of such claim by Buyer, notwithstanding any applicable statute of limitations to the contrary.
  - a. Claims involving damage in shipment.
    - i. Salvageable material will be accepted by Buyer.
    - ii. The Buyer and Seller shall agree to return, issuance of credit, or disposal of material prior to return, issuance of credit, or disposal of material damaged in shipment.
    - iii. The Buyer has thirty (30) days of receipt of material to file a claim for shipping damage.
  - b. Claims involving material quality.
    - i. The Seller limits any claim of Buyer's lost or scrap product or lost production to the value of the Seller's material consumed by the Buyer.
    - ii. The Buyer and Seller shall agree to the terms of compensation and return of unused material remaining from the lot(s) in question for quality issues prior to return to Seller. Cost for return due to quality issues shall be paid by the Seller.
    - iii. The Seller shall replace the material subject to the quality claim at the Buyer's consent.
    - iv. The Buyer has ninety (90) days from receipt of material to file a quality claim.
    - v. Material allowed to become overaged while in the Buyer's possession is not covered under quality complaints and is not subject to credit or return.
  
6. Notwithstanding damage or quality claims as noted above, a restocking fee may be assessed by the Seller for any and all material returned by Buyer to the Seller if not related to a quality or delivery issue. The following conditions apply:
  - a. Conditions not relating to quality issues may include, but are not limited to: termination of contract, overstock by the Buyer, Buyer inventory control, and loss of demand by Buyer.
  - b. Material must be returned in the same quality criteria as received, undamaged, unopened and in the original packaging.
  - c. The Buyer is responsible for the shipping costs of returned material under this section.
  - d. A restocking fee of 15% will apply for all products returned.
  - e. The Seller will not accept return of material that has been allowed to become overaged while in the possession of the Buyer.



7. Liability for all taxes, excises or other charges imposed by any local, provincial or federal authority, which have to do with or affect the product herein ordered (except those based on the income of the Seller), shall be assumed and paid by Buyer. Buyer further agrees to indemnify and protect Seller against all liabilities for taxes as well as any legal fees or costs incurred by Seller in connection therewith.
8. This agreement together with the Schedule constitute the entire contract of sale and purchase of the product herein named. It is not assignable by Buyer without the written consent of Seller. No modification of this contract shall be of any force or effect unless in writing signed by the parties and no modification shall be affected by the acknowledgement or acceptance of purchase order forms containing different terms and conditions.
9. Subsequent to delivery to the Buyer's site, Buyer assumes full responsibility and liability for compliance with federal, state and local regulations governing unloading, discharge, storage, handling and use of the product supplied by Seller under this contract. If any provision of the contract is or becomes in violation of any laws, rule, order or regulation issued hereunder, Seller shall have the right, upon notice to Buyer, to cancel such provision, without affecting the other provisions of this contract, or to cancel this contract in its entirety.
10. Waiver by Seller of any breach of these conditions shall not be construed as a waiver of any other breach.
11. This contract shall be binding upon and inure to the benefit of the successors and interest of the parties hereto.
12. This contract shall be governed by and construed in accordance with the laws of the province of Quebec. Any lawsuit by Buyer arising out of the transactions covered hereunder shall be instituted in the appropriate local, provincial, or federal court located in the judicial district of Quebec, Canada, and buyer further submits itself to the jurisdiction of said courts in the event Seller elects to institute any action in said courts.