

STANDARD TERMS AND CONDITIONS

UNIFIN INTERNATIONAL, LP ("Unifin"), provides the following terms and conditions which apply to all quotations and sales of equipment ("Equipment") made by Unifin. All purchases by customer, owner or its agent ("Buyer") are expressly limited and conditioned upon acceptance of the following terms and conditions and any provision, printed or otherwise, contained in any purchase order, confirmation or acknowledgment inconsistent with, different from or in addition to these Standard Terms and Conditions are not accepted by Unifin unless specifically agreed to in writing. No order for, or changes to any terms or scope of an order for, the Seller's goods ("Goods") shall be binding on Seller until accepted in writing by the Seller at its home office at London, Ontario.

1. **QUOTATIONS.** Unifin's quotation is valid for 30 days from the date of the quotation unless otherwise stated. This quotation supersedes all previous quotations or correspondence concerning the same transaction or inquiry. All sales are subject to the approval of Buyer's credit. Unifin reserves the right to refuse to extend credit or to revoke credit terms at any time. Quotations contain proprietary information of Unifin and are provided to Buyer with the understanding that Buyer may only use the information for internal purposes. Quotations and all information provided by Unifin are proprietary and may not be disclosed to any third party or be used in the preparation of any request for quotation for equipment similar to, or as a substitution for, the Equipment.

2. **PRICE MODIFICATION AND OTHER CHARGES.** Unifin's price does not include any transportation, crating or packaging charges, or any taxes, excises, duties, tariffs or other governmental charges which Unifin may be required to pay or collect under any existing or future law, with respect to the sale, transportation, delivery, storage, installation or use of any of the Equipment. For all prepaid and charge shipments, an administration charge will be added to the freight invoice at 25% of the value of the freight or US \$200, whichever is greater.

3. **PAYMENT AND CREDIT TERMS.** Each shipment is a separate transaction and payment will be made accordingly. Unless otherwise specified in writing by Unifin, payment for Equipment is due 30 days from the date of shipment. Interest will be added to past-due accounts at a rate of 1.5% per month, or the maximum amount allowed by law. Unifin will reserve the right to stop or delay order processing if Buyer is not in full compliance with the contractual payment terms. If shipments are delayed by Buyer, payment will become due from the date Unifin is prepared to make shipment. Equipment held for Buyer because of any delay due to Buyer's request to hold or inability to receive the Equipment will be at the risk and expense of Buyer. The Seller, at its sole option, and without incurring any liability, may suspend its performance until such time as the overdue payment is made or Seller receives assurances, adequate in Seller's opinion, to indicate that the payment shall be promptly made. In the event of such suspension, the delivery schedule and order price shall be equitably extended and increased taking into account the delay and costs resulting from such suspension. Buyer shall promptly pay the Seller for all costs and related overhead costs arising from such suspensions. If Buyer suspends performance of either party for whatever reason, the delivery schedule and order price shall be equitably extended and increased taking into account the delay and all costs resulting from such suspension.

4. **LIMITED WARRANTY.** If, within 18 months after the date of shipment or one year after start up, whichever occurs first, any Equipment proves to be defective in material or workmanship and Unifin is so notified in writing within said warranty period and upon examination by Unifin, Unifin will repair the Equipment or supply identical or substantially similar replacement Equipment F.O.B. Unifin's manufacturing facility, at Unifin's sole discretion. Any replacement Equipment will be warranted against defects in material or workmanship for the unexpired portion of the warranty applicable to the particular Equipment.

Unifin will not be responsible for costs of removal, installation or re-installation of any Equipment or items supplied by third parties, where such removal, installation or reinstallation is required to repair or replace any defective Equipment. Furthermore, Unifin will not be responsible for and assumes no liability for materials or workmanship or any transportation charges, labor costs or other related expenses for any work performed by third parties in the repair or replacement of defective Equipment, without Unifin's prior written consent.

This warranty will be voided if (a) the Equipment has not been stored, installed, maintained or operated in accordance with accepted industrial practice or any specific instructions provided by Unifin; (b) the Equipment has been subjected to any accident, misapplication, environmental contaminant,

corrosion, improper passivation, abuse or misuse; (c) Buyer has used, repaired, or modified the Equipment after discovery of the defect without Unifin's prior written consent to continue use, (d) Buyer refuses to permit Unifin to examine the Equipment and operating data to determine the nature of the defect claimed; or (e) Buyer fails to meet its obligations under paragraph 5.

EXCEPT AS PROVIDED IN THESE STANDARD TERMS AND CONDITIONS, ALL WARRANTIES, UNDERTAKINGS, CONDITIONS OR REPRESENTATIONS (WHETHER INNOCENT OR NEGLIGENT), INCLUDING WITHOUT LIMITATION THOSE WITH RESPECT TO MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, QUALITY OR DURABILITY, WHETHER EXPRESSED, IMPLIED, STATUTORY OR ARISING FROM A COURSE OF DEALING, USAGE OF THE TRADE OR OTHERWISE WITH RESPECT TO ANY EQUIPMENT OR ORDER, ARE EXPRESSLY EXCLUDED.

5. **OBLIGATIONS OF BUYER.** Buyer is solely responsible for identifying and defining all process and mechanical considerations which may affect the performance, reliability or operation of the Equipment furnished by Unifin, including such considerations as selecting and specifying the materials of construction for the Equipment, determining whether the process application may form solids or otherwise develop or create fouling of the Equipment, and specifying and designing any internal screens or external filters. Following delivery it is Buyer's responsibility to (a) protect the Equipment from corrosion, damage and debris; (b) install the Equipment in a clean condition and environment consistent with accepted industrial practice or any specific instructions provided by Unifin, (c) to start up, operate and shut down the unit in which the Equipment has been installed so as to assure that no foreign debris, catalyst, polymerized material or other material may form in the Equipment, or enter the Equipment from any associated piping, heat exchangers, or other auxiliary equipment which may cause the fouling or corrosion of the Equipment, and (d) start up, operate and shut down the unit in which the Equipment has been installed in a manner that maintains the process or mechanical loadings within the design conditions.

6. **LIMITATION OF LIABILITY.** UNIFIN'S LIABILITY IS LIMITED TO THE PRICE ALLOCABLE TO THE EQUIPMENT DETERMINED DEFECTIVE, AND IN NO EVENT WILL UNIFIN'S CUMULATIVE LIABILITY BE IN EXCESS OF THE TOTAL SALES ORDER PRICE, WHETHER ARISING UNDER WARRANTY, CONTRACT, NEGLIGENCE, STRICT LIABILITY INDEMNIFICATION, OR ANY OTHER CAUSE OR COMBINATION OF CAUSES WHATSOEVER.

EXCEPT AS OTHERWISE PROVIDED IN THESE STANDARD TERMS AND CONDITIONS, UNIFIN WILL NOT BE LIABLE FOR GENERAL, SPECIAL, DIRECT, INDIRECT, INCIDENTAL, LIQUIDATED OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS, REVENUES OR OTHER

ECONOMIC LOSSES, WHETHER ARISING UNDER WARRANTY, CONTRACT, NEGLIGENCE (INCLUDING NEGLIGENT MISREPRESENTATION), STRICT LIABILITY INDEMNIFICATION, OR ANY OTHER CAUSE OR COMBINATION OF CAUSES, INCLUDING ANY THEORIES OF CONCURRENT LIABILITY ARISING FROM A DUTY OF CARE BY OPERATION OF LAW OR OTHERWISE. THESE LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

BUYER'S REMEDIES ARE SPECIFICALLY LIMITED TO THE REPAIR OR REPLACEMENT OF THE EQUIPMENT AND ARE EXCLUSIVE OF ALL OTHER REMEDIES, SHOULD THESE REMEDIES BE FOUND INADEQUATE OR TO HAVE FAILED OF THEIR ESSENTIAL PURPOSE FOR ANY REASON WHATSOEVER, BUYER AGREES THAT RETURN OF THE FULL SALES ORDER PRICE TO IT BY UNIFIN SHALL PREVENT THE REMEDIES FROM FAILING OF THEIR ESSENTIAL PURPOSE AND SHALL BE CONSIDERED BY BUYER AS A FAIR AND ADEQUATE REMEDY.

7. **TECHNICAL ASSISTANCE.** It is expressly understood that any technical assistance or installation services furnished by Unifin will be addressed in a separate written agreement between the parties. In no event will any technical assistance or installation provided by Unifin constitute a waiver by it of any of these Standard Terms and Conditions or affect or expand Unifin's obligations as stated in Paragraphs 4 and 6.

8. **PATENTS.** Unifin will defend and indemnify Buyer from any suit or proceeding brought against Buyer based on a claim that the Equipment as manufactured and furnished by Unifin infringes any Canadian or United States patent, if Unifin is notified promptly in writing and given authority, information and assistance, for the defense of such suit or proceeding. Defense and settlement of any such claim, suit or proceeding shall be within Unifin's sole discretion. Should it be held that the Equipment infringes, and the use of the Equipment is enjoined, Unifin will, at its own expense, either procure for Buyer the right to continue using the Equipment, or

replace the Equipment with non-infringing goods, modify the Equipment to become non-infringing, or remove the infringing Equipment and refund the price paid for the respective Equipment. Unifin does not accept any liability for infringement of any chemical, process or flow patent, or for Equipment designed for or used in connection with such chemical, process or flow patents. Buyer will indemnify Unifin from any suit or proceeding brought against Unifin by any third party based on claims that the Equipment infringes any such patent, or with respect to any equipment designed and manufactured in accordance with designs furnished by Buyer, or Equipment modified by the Buyer.

9. **BACKCHARGES.** No backcharges will be paid or allowed by Unifin unless Unifin is notified in writing of any Equipment defect claim or omission pursuant to Paragraph 4. All backcharges must be approved in writing by Unifin before any Equipment is repaired, replaced or altered in any manner by Buyer or its designee, or returned to Unifin.

10. **CANCELLATION FEE.** Buyer may not cancel any order except upon written notice and payment to Unifin of all reasonable costs arising from the cancellation, plus a cancellation fee of 25% of the total sale order price. In any event, the minimum cancellation fee shall be \$500.00.

11. **FORCE MAJEURE.** Unifin or Buyer will be excused from their respective obligations in the event and to the extent that their respective performance is delayed or prevented (a) by any circumstance (except financial) reasonably beyond their control or (b) by fire, explosion, breakdown of machinery or equipment, plant shutdown, strikes or other labor disputes, riots or other civil disturbances, or voluntary or involuntary compliance with any law, order, regulation, recommendation or request of any governmental authority. In addition, Unifin will be excused in the event of its inability to

obtain materials necessary for manufacture of the Equipment, or total or partial failure of any of its usual means of transportation of the Equipment.

12. **ASSIGNABILITY** No claim against Unifin arising directly or indirectly out of or in connection with the Equipment may be assigned by Buyer or by operation of law without the prior written approval of Unifin.

13. **SHIPMENT AND TITLE.** All Equipment will be shipped F.O.B. Unifin's manufacturing facility unless otherwise stated. Title and risk of loss shall pass to Buyer at the F.O.B. point. If Buyer has not issued inspection and shipping instructions by the time the Equipment is ready for shipment, Unifin may select any reasonable method of shipment, without liability by reason of its selection. Shipments may be insured at Buyer's expense, and Unifin will not place valuation upon shipments unless specifically requested in writing by Buyer or required for export purposes.

14. **SEVERABILITY.** Invalidity of any of these Standard Terms and Conditions will not affect the validity of any other provision and the remaining provisions will remain in force and effect.

15. **WAIVER.** Failure to enforce any of these Standard Terms and Conditions in a particular instance will not constitute a waiver of or preclude subsequent enforcement of any of these provisions.

16. **APPLICABLE LAW.** The agreement of the parties shall be construed and enforced in accordance with the laws of the Province of Ontario, and venue for any disputes shall be Toronto, Ontario. The parties disclaim any applicability of the U.N. Convention of the International Sale of Goods to the order.