

## 1. Scope of Application

All shipments, services, sales, estimates, quotations, and order confirmations between Techtop Canada Inc. and Customer are subject to these general terms and conditions of business (the "Terms and Conditions"). These Terms and Conditions shall govern all business transactions between Techtop Canada Inc. and Customer relating to the purchase and sale of all products manufactured by, or on behalf of, Techtop Canada Inc. in accordance with Customer's design specifications (the "Products"). Different or additional terms that may be proposed from time to time by Customer (including, but not limited to, those contained in any purchase orders submitted by Customer to Techtop Canada Inc.) are not binding upon Techtop Canada Inc., unless they are expressly confirmed by Techtop Canada Inc. in writing. Agreements, supplements, or understandings made by phone or orally that deviate from these Terms and Conditions are not binding upon either the Techtop Canada Inc. or the Customer unless they are expressly confirmed in writing by the party to be bound.

## 2. Acceptance of Orders

All of Techtop Canada Inc.'s estimates or quotations are non-binding. All of Customer's statements of acceptance or purchase orders referring to any of Techtop Canada Inc.'s estimates or quotations are not binding on Techtop Canada Inc.; and notwithstanding any contrary provisions thereof, are to be construed and deemed to be Customer's offer to purchase the Products therein described from Techtop Canada Inc.. Such purchase orders, statements of acceptance, and offers to purchase Products become valid only through Techtop Canada Inc.'s written order confirmation to which these Terms and Conditions are attached (the "Order Confirmation").

## 3. Prices

The only binding prices are those in the Sales Order Confirmation.

## 4. Terms of Payment

Customer shall pay Techtop Canada Inc. for the Products as per the prices specified in the Order Confirmation. Invoices for the Products are payable in the currency stated on the invoice. Whenever Techtop Canada Inc., in its sole discretion, determines that Customer's ability to pay for the Products is in doubt, Techtop Canada Inc. may require payment obligations hereunder to be made by an irrevocable letter of credit confirmed by a bank having offices in Canada reasonably acceptable to Techtop Canada Inc. (the "Letter of Credit"). If Customer fails or refuses such different terms of payment, in addition to its other rights and remedies, Techtop Canada Inc. may, at Techtop Canada Inc.'s option, treat such failure or refusal as Customer's repudiation of any portion of the Order Confirmation that has not been fully performed; and Techtop Canada Inc. may cancel such remaining balance of the Order Confirmation, without any liability to Customer, by giving written notice of cancellation to Customer. In all events, time shall be of the essence with regard to Customer's payment obligations to Techtop Canada Inc. hereunder. Any amount not paid by Customer within thirty (30) days after being due shall accrue interest at the lower of one percent (1%) per month or the highest legal rate allowed under applicable law. The right of Techtop Canada Inc. to receive such interest payments shall be in addition to any other rights or remedies of Techtop Canada Inc. hereunder with respect to such nonpayment.

## 5. Title and Risk of Loss

Unless otherwise agreed in writing by the parties, title to and risk of loss of the Products shall pass to Customer upon delivery of the Products by Techtop Canada Inc. (or Techtop Canada Inc.'s agent or representative) to the carrier at the shipping point. Customer shall, and Techtop Canada Inc. in its sole discretion may, inspect the Products, or cause them to be inspected, promptly after their arrival at Customer's port of destination. Unless otherwise agreed in writing by the parties, all damages to the Products during transit are at the risk of Customer

and Customer's insurer, if any, and are not the basis for any warranty claim pursuant to Section 11 of these Terms and Conditions.

## 6. Regulatory Approvals

It shall be Techtop Canada Inc.'s sole responsibility to obtain and maintain all pertinent customs and regulatory approvals or other authorizations required to export the Products from their country of origin. It shall be Customer's sole responsibility to obtain and maintain all pertinent customs and regulatory approvals or authorizations to import the same into Customer's chosen county of destination for the Products. If requested in writing by Customer, Techtop Canada Inc. shall use its reasonable efforts to assist Customer in obtaining and maintaining such approvals, licenses, permits, and authorizations.

## 7. Design, Patents and Other Intellectual Property

As to the products manufactured by Techtop Canada Inc., Customer warrants that the product manufactured in accordance with the specifications supplied by Customer will not infringe of any patent of the United States or foreign jurisdiction. Customer will indemnify and hold harmless Techtop Canada Inc. against any losses including attorney fees and other costs of defense should Techtop Canada Inc. be required to defend a claim related to patent infringement or product failure due to design.

## 8. Taxes

Prices quoted by Techtop Canada Inc. for the Products [do not] include applicable sales, use, excise, and similar taxes which under applicable law are required to be paid as a result of the sale to Customer regardless of the party upon whom the obligation to pay is placed. Such taxes are [not] included on the quote and the Order Confirmation.

## 9. Returns

All returned goods are subject to prior approval and must be accompanied by a return goods authorization (RGA) number. These goods must be returned within 30 days, freight prepaid, in resalable condition and in original packaging. No restocking charge will apply if goods are returned in original condition complete with packaging. If any packaging or parts are missing or damaged, the parts and labour costs required to return the product to original condition will be charged to the customer. A 30% restocking charge will apply on all gearing products assembled at our facilities. Motors with custom modifications are non-returnable.

**10. Shipping and Freight Policy**

Unless the parties agree otherwise in writing, Techttop Canada Inc. shall have the right to select the carrier(s) and routing of shipment. Techttop reserves the right to ship from any of its warehouse locations. If customer’s order requires several shipments they will be notified prior to shipment of the cost of freight. Alternatively, customer may at their discretion elect to have product shipped or third party billed. However, customer assumes all liability for damage or loss of freight in transit. Techttop will make every effort to ship the same day any orders received before 2PM local time of the warehouse from which the product is to be shipped. Any orders received after 2PM will be scheduled to ship the following day. Orders received after 2PM will ship the next business day.

A fee of \$125 will be charged for after-hours shipments and pick up must be arranged by the customer. Additional charges may be applied for products requiring assembly or modifications. Exceptions to these terms are at the option of Techttop Canada Inc. and availability of expedited and after hours shipment services cannot be guaranteed.

Special service requested by the customer such as but not limited to lift gate, call ahead or guaranteed delivery will result in an additional charge to the customer. Techttop reserves the right to modify these terms at its discretion. Any such modifications will be communicated to the customer prior to shipment.

**11. Defaults**

If Customer should default in the fulfillment of any obligation or condition hereunder, and such default is not cured within 30 days after written notice from Techttop Canada Inc. specifying the nature of such default, then Techttop Canada Inc. shall have the right to terminate, without any liability to Customer, the remaining portion of the Order Confirmation that has not been fully performed by giving written notice of termination to Customer. Such right of termination shall be in addition to, but not in lieu of, any other remedies that may be available to Techttop Canada Inc. at law or in equity.

**12. Warranty**

Techtop Canada Inc. warrants to Customer that the Products shall be free from defects in materials and workmanship from the date of Techttop Canada Inc.’s invoice for a period described in the below table according to motor type unless otherwise specifically communicated.

| Type   | Gen. Purpose / Farm Duty 1Φ | EPAct Rated / IE1 3Φ | Premium Eff. / IE3 3Φ | All Gearing Products |
|--------|-----------------------------|----------------------|-----------------------|----------------------|
| Months | 18                          | 24                   | 36                    | 12                   |

If within the applicable warranty period, Customer discovers any defects in the materials or workmanship of any of the Products and promptly notifies Techttop Canada Inc. in writing of such defects and returns the defective items or provides evidence of disposal of such items at the option of Techttop Canada, Techttop Canada Inc. shall repair or ship a replacement for the defective item or at Techttop Canada Inc.’s sole option refund to Customer the purchase price for each defective item. This warranty shall not apply to any of the following: (a) Products that have been repaired or altered by anyone other than Techttop Canada Inc.; (b) Products having components purchased from anyone other than Techttop Canada Inc.; (c) Products that have been damaged by negligence or accident or by other circumstances beyond the reasonable control of Techttop Canada Inc.; or (d) Products that have been improperly operated, maintained, serviced, or stored, or that have been subjected to abnormal conditions of operation, maintenance, service, and storage not in conformity with manufacturer’s written instructions concerning operation, maintenance, service, and storage. In no case whatsoever, including justified warranty claims, is Customer entitled to retain payments due, except upon the written consent of Techttop Canada Inc. with respect to undisputed claims.

Techtop shall reserve the right to have, at its expense, any “defective” motor shipped to a qualified EASA shop for inspection. If upon inspection the motor is found to fit any of conditions a, c or d as noted above, the customer will be invoiced the full price of the replacement motor supplied to them including applicable shipping costs and customer will retain ownership of the defective motor. Customer may, at their expense, request further inspection of the motor by a second qualified EASA shop to confirm or contradict the findings of the first.

THE FOREGOING LIMITED WARRANTY DOES NOT INCLUDE REIMBURSEMENT TO CUSTOMER FOR ITS COSTS AND EXPENSES OF TRANSPORTATION, FREIGHT, LABOR, REMOVAL, OR OTHER EXPENSES THAT MIGHT BE INCURRED IN CONNECTION WITH CUSTOMER’S RETURNING THE DEFECTIVE ITEMS TO TECHTOP CANADA INC. OR IN CONNECTION WITH TECHTOP CANADA INC.’S SENDING TO CUSTOMER ANY REPAIRED OR REPLACED ITEMS. IN NO EVENT SHALL TECHTOP CANADA INC. OR TECHTOP CANADA INC.’S EMPLOYEES OR REPRESENTATIVES BE LIABLE TO CUSTOMER FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, CONTINGENT, EXEMPLARY, OR INCIDENTAL DAMAGES OR EXPENSES (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOSS OF PRODUCTION, DOWN TIME, OR BUSINESS INTERRUPTION), WHETHER CAUSED BY OR RELATED TO ANY DEFECTIVE PRODUCTS OR ARISING FROM THE FOREGOING WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, OR ANY OTHER LEGAL THEORY. IN ALL EVENTS, THE LIABILITY OF THE TECHTOP CANADA INC., WHETHER BASED IN TORT, BREACH OF CONTRACT, BREACH OF WARRANTY, OR OTHERWISE, SHALL NOT EXCEED THE PRICE OF THE DEFECTIVE PRODUCTS IN QUESTION OR WITH RESPECT TO WHICH SUCH BREACH, DEFAULT, OR NEGLIGENCE IS CLAIMED. CUSTOMER ACKNOWLEDGES THAT THE REMEDIES PROVIDED HEREIN ARE EXCLUSIVE AND IN LIEU OF ALL OTHER REMEDIES. THE FOREGOING LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, OR NON-INFRINGEMENT, ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED.

\*Prices and specifications are subject to change without notice. Techttop Canada Inc. is not responsible for typographical errors.