

SEW-EURODRIVE COMPANY OF CANADA LTD.

TERMS & CONDITIONS OF SERVICE

1. APPLICATION OF TERMS

These terms and conditions of services ("Terms") are the **only** terms which govern the sale or provision of services ("Services") by SEW-Eurodrive Company of Canada Ltd. (the "Service Provider") for this transaction with the purchaser of these Services (the "Customer"), including any supplementary services, advice or assistance provided in relation to such Services. These Terms shall prevail over any terms and conditions of purchase provided by the Customer regardless of whether or when the Customer has submitted such terms or purchase order. Fulfillment of the Customer's purchase order does not constitute acceptance of any of the Customer's terms and conditions and does not in any way modify, amend or supersede these Terms. No modifications or additional terms or conditions will be binding on the Service Provider unless agreed to in writing and signed by an authorized officer of the Service Provider.

2. SERVICES, QUOTATION AND PRICE

The Service Provider shall provide the Services, and only the Services, to the Customer as described in its order confirmation or quotation (whichever is applicable) in accordance with these Terms.

Unless otherwise specified in writing, all written quotations shall be intended for reference purposes only, constituting neither an offer to sell nor imposing any obligations or liability on the Vendor. All written quotations and offers to sell are subject to change without notice and automatically expire 30 days from the date quoted. Quotations are based on data provided to the Vendor by the Purchaser, and the Vendor shall have no liability to the Purchaser if the data provided to the Vendor is incorrect or incomplete.

The Customer shall pay the fees as set forth in the order confirmation or quotation (whichever is applicable) (the "Contract Price"). Customer further agrees to reimburse Service Provider for all reasonable travel and out-of-pocket expenses incurred in connection with performance of the Services.

All prices are in Canadian funds unless otherwise specified in writing by the Service Provider. Prices and terms and conditions of sale are all subject to change without notice to the Customer.

3. TAXES

The Contract Price does not include sales, use, excise, or other taxes payable to any government authority in respect of the Services. The Customer shall pay, in addition to the Contract Price, the amount of any such taxes or shall reimburse the Service Provider for the amount thereof that the Service Provider may be required to pay. Without limiting the generality of the foregoing, taxes shall include all applicable sales, use or other taxes (notwithstanding their designation as sales tax, goods and services tax, harmonized sales tax and other taxes imposed by any governmental body upon the transaction described herein, unless the Customer provides the Service Provider with satisfactory evidence of exemption acceptable to the taxing authorities.

4. ACCEPTANCE OF ORDER

No order placed by the Customer shall be deemed to be accepted by the Service Provider unless and until confirmed in writing by an authorized officer of the Service Provider.

5. PAYMENTS

Unless otherwise specifically authorized, terms of payment are 30 days Net from the date of invoice for customers with approved credit. The Service Provider may charge interest on any outstanding balance beyond the approved payment date at the rate of 2% per month (24% per annum), applied and calculated daily and compounded monthly, until such payment is received. Where such balance is payable in installments, the Service Provider reserves the right to charge interest on overdue installments at the said rate from the date payment is due to the date of payment.

The Service Provider reserves the right to stop or suspend the provision of Services for nonpayment where such failure continues 10 days after written notice thereof. The Customer shall not withhold payment for any amounts due and payable by reason of any set-off claim or dispute with the Service Provider.

If at any time the Service Provider determines in good faith that the Customer's financial condition or credit rating does not justify a sale on credit or if the Customer is at any time in default of any undelivered indebtedness or obligation owed to the Service Provider, then the Service Provider may: (a) suspend further provision of Services until payment is received in full; and/or (b) require cash payment in advance of the provision of Services; and/or (c) terminate this agreement, and any other agreement with the Customer, with immediate effect upon written notice to the Customer. The Customer agrees to submit such financial information from time to time as may be reasonably requested by the Service Provider for the establishment and/or continuation of credit terms. The Customer agrees to pay any and all legal fees associated with payment collection.

6. CHANGES

The Service Provider will not accept changes to the scope or performance of the Services unless such changes are requested in writing by the Customer and approved in writing by an authorized officer of the Service Provider. The Customer agrees to pay, in addition to the Contract Price, a set sum determined by the Service Provider to accommodate or effectuate such change or changes.

7. CANCELLATION

Once an order has been accepted by the Service Provider, it is not subject to cancellation without the prior written consent of an authorized officer of the Service Provider. Cancellations are subject to a reasonable charge based upon expenses already incurred, commitments made by the Service Provider, overhead and reasonable profit.

8. DELIVERY

Any indicated performance dates or dates of completion of deliverables are approximate only, but the Service Provider will attempt to meet them where commercially reasonable. The Service Provider shall not be liable to the Customer, in any manner whatsoever, for delays in performance or delivery. The Service Provider will not be bound by any penalty clause contained in any specification or order submitted by the Customer unless such clause is specifically agreed to in writing by an authorized officer of the Service Provider.

The Service Provider shall not be liable or responsible to the Customer, nor be deemed to have defaulted or breached any agreement with the Customer, for any failure or delay in performing under this agreement to the extent such failure or delay is the result of force majeure or causes beyond the Service Provider's reasonable control.

9. CUSTOMER OBLIGATIONS

The Customer shall cooperate with the Service Provider in all matters relating to the Services and provide such access to the Customer's premises, and such office accommodation and other facilities as may be reasonably requested by the Service Provider for the purpose of performing the Services along with providing complete and accurate copies of all materials or information that the Service Provider may reasonably request to carry out the Services. The Customer shall also respond promptly to any Service Provider request to provide direction, information, approvals, authorizations or decisions that are reasonably necessary to for the Service Provider to perform Services in accordance with the requirements of these Terms. Where the Service Provider's performance of its obligations under this agreement is prevented or delayed by any act or omission of the Customer or its agents, the Service Provider shall not be deemed to be in breach of any obligations under this agreement or otherwise liable for any costs, charges, fees, or losses associated with such prevention or delay.

10. INTELLECTUAL PROPERTY

Unless specifically granted in writing by an authorized officer of the Service Provider, nothing in this agreement or related to this transaction in any way grants the Customer any ownership or other interest in any of Seller's intellectual property rights. All such intellectual property rights, including technical information and/or drawings, specifications, sales literature, quotation, etc. supplied by the Service Provider in connection herewith shall be treated as strictly confidential by the Customer and shall not be made available to third parties both prior to or after execution of this agreement and provision of the Services. The Service Provider retains title to and reserves ownership of all such intellectual property rights respecting all documents, descriptions, compilations of data, photographs, illustrations, estimates, and other technical information provided to the Customer in connection with the Services, and the Customer shall return same to the Service Provider upon its request.

11. LIMITED WARRANTY

The Service Provider warrants the work performed against defects in workmanship, for a period of exactly **one year** after the performance of the Services (the "Warranty Period"). The Service Provider shall not be liable for breach of this limited warranty unless the Customer gives the Service Provider written notice of the defective Services, reasonably described, within 60 days of the time when the Customer discovers or ought to have to have discovered that the Services were defective. Upon receipt of the written warranty notice, the Service Provider shall, in its sole discretion, either repair/re-perform such Services (or the defective portion thereof) or credit/refund the Contract Price of such Services at the pro rata contract rate.

Notwithstanding anything contained herein to the contrary, where the Service Provider is required to perform corrective and preventive maintenance work, this limited warranty shall be limited to services actually rendered.

The Service Provider shall in no event be liable to the Customer, under this warranty or otherwise, for claims, expenditures or losses arising from operational delays or work stoppages or damage to property caused by defective Services, or for consequential damages of any nature whatsoever.

EXCEPT FOR THE LIMITED WARRANTY SET FORTH ABOVE, THE SERVICES ARE PROVIDED "AS IS". THIS WARRANTY REPLACES EXPRESSED, STATUTORY OR IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. THE SERVICE PROVIDER DOES NOT ASSUME, NOR DOES IT AUTHORIZE ANY PERSON TO ASSUME, ON ITS BEHALF, ANY OTHER OBLIGATION OR LIABILITY.

THE REMEDIES SET FORTH IN THIS SECTION SHALL BE THE CUSTOMER'S SOLE AND EXCLUSIVE AND THE SERVICE PROVIDER'S ENTIRE LIABILITY FOR ANY BREACH OF THIS LIMITED WARRANTY.

Furthermore, any equipment or components manufactured or created by third parties which may be contained in any goods subject to Services are not covered by this limited warranty and are subject only to whatever warranty may be granted by the third party creator, if any.

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12. INDEMNIFICATION AND RELEASE

The Customer shall indemnify and agree to hold the Service Provider harmless from any and all claims, charges, expenses, damages, liabilities and other costs incurred (a) as a result of any breach by the Customer of these Terms, or (b) arising from any act or omission of the Customer, any affiliate of the Customer, or any agent or employee of the Customer.

THE CUSTOMER HEREBY REMISES, RELEASES AND FOREVER DISCHARGES THE SERVICE PROVIDER FROM ALL CLAIMS ARISING OUT OF A BREACH BY THE SERVICE PROVIDER OF THESE TERMS, INCLUDING ANY CLAIMS FOR INDIRECT OR CONSEQUENTIAL DAMAGES.

13. LIMITATIONS OF LIABILITY

If a court of competent jurisdiction determines that the release contained in Clause 12 is invalid, ineffective or unenforceable, the Customer agrees as follows:

NOTWITHSTANDING ANY PROVISION CONTAINED HEREIN TO THE CONTRARY, IN NO EVENT SHALL THE SERVICE PROVIDER, ITS AFFILIATED COMPANIES, SHAREHOLDERS, OFFICERS, DIRECTORS, AGENTS, EMPLOYEES, SUPPLIERS OR SUBCONTRACTORS (COLLECTIVELY, "RELATED PARTIES") BE LIABLE, EITHER JOINTLY OR SEVERALLY, TO THE CUSTOMER FOR ANY DAMAGES, CLAIMS, DEMANDS, SUITS, CAUSES OF ACTION, LOSSES, COSTS, EXPENSES AND/OR LIABILITIES IN EXCESS OF THE CONTRACT PRICE FOR THE SERVICES THAT GIVES RISE TO THE CLAIM, REGARDLESS OF WHETHER SUCH LIABILITY ARISES OUT OF BREACH OF CONTRACT, GUARANTY OR WARRANTY, TORT, PRODUCT LIABILITY, INDEMNITY, CONTRIBUTION, STRICT LIABILITY (INCLUDING PRODUCT LIABILITY CLAIMS) OR ANY OTHER LEGAL THEORY.

UNDER NO CIRCUMSTANCES WILL THE SERVICE PROVIDER AND ITS RELATED PARTIES BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF ACTUAL OR ANTICIPATED PROFITS OR REVENUE (INCLUDING LOSS OF REVENUES), LOSS OF USE OF ANY PROPERTY, COST OF CAPITAL, BUSINESS INTERRUPTION COSTS, DOWNTIME COSTS, INJURY TO PERSON OR PROPERTY OR DEATH, PROPERTY LOSSES AND DAMAGES DUE TO THIRD PARTY CLAIMS, ARISING OUT OF THESE TERMS OR THE SERVICE PROVIDER'S PERFORMANCE OF ITS OBLIGATIONS HEREUNDER. THE CUSTOMER WILL INDEMNIFY THE SERVICE PROVIDER AND ITS RELATED PARTIES AGAINST ANY SUCH CLAIMS FROM THE CUSTOMER'S CUSTOMERS.

If the Service Provider furnishes the Customer with supplementary advice, assistance or services concerning any products or systems which are not required pursuant to this agreement, whether provided in the course of fieldwork or not, including but not limited to electronic support and programming assistance services, specifically including the programming of programmable devices, the furnishing of such advice or assistance will not subject the Service Provider to any liability, whether in contract, indemnity, warranty, tort (including negligence), strict liability or otherwise. THE SERVICE PROVIDER WILL NOT BE HELD LIABLE TO ANY PERSON FOR DAMAGES OF ANY KIND, WHETHER COMPENSATORY, INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT OR PUNITIVE ARISING FROM OR RELATED TO THE PROVISION OF THE ABOVE-REFERENCED SUPPLEMENTARY ADVICE, ASSISTANCE OR SERVICES PROVIDED IN RELATION TO THE SERVICES PURCHASED IN THIS AGREEMENT.

Any action or suit by the Customer against the Service Provider relating to these Terms and any transaction in connection herewith must be brought within the Warranty Period. The parties hereto acknowledge and agree that this is a commercial transaction.

14. DEFAULT AND TERMINATION

In addition to, and without limitation of, any other remedies provided to the Service Provider by these Terms or by law, the Service Provider may at its option, in its sole discretion, and without incurring any liability thereby, terminate this agreement, and any other agreement with the Customer, with immediate effect upon written notice to the Customer, if the Customer: (a) fails to pay any amount due under this agreement, (b) has not performed or complied with or otherwise defaulted on the obligations under this agreement, or (c) becomes insolvent, files a petition for bankruptcy, ceases doing business, undergoes a substantial change of ownership, or commences or has commenced against it any proceeding related to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors. The Service Provider shall have a right to all damages sustained by it as a direct or indirect result of the Customer's default, including loss of profits

15. COMPLIANCE WITH LAWS

The Customer shall comply with all applicable laws and regulations, including trade, economic, or financial restrictions or trade embargoes and any amendments thereto (collectively, the "Laws") imposed by any applicable governmental authority, including, where applicable, Canada, the United States and the European Union. The Service Provider shall not be liable, and the Customer agrees to hold harmless and indemnify the Service Provider, for any breach of such Laws. To the extent permitted by law, the Customer shall, promptly upon becoming aware, provide to the Service Provider details of any claim, action, suit, proceedings or investigation against it with respect to the Laws brought by any enforcement authority. In the event that the Service Provider should believe, acting in good faith, that the Customer has violated, or is under investigation for violating, any Laws, or if the Customer is identified on

any applicable sanctions list, the Service Provider shall have the immediate right to terminate its relationship and/or any contract with the Customer without liability.

16. PRIVACY POLICY

Any personal information collected by the Vendor in the course of this transaction shall be subject to the Vendor's Privacy Policy. The Vendor's Privacy Policy is available for review at <https://www.sewcan.ca/english/privacy.aspx> and is incorporated by reference into these Terms.

17. ASSIGNMENT

The Customer shall not assign any of its rights or delegate any of its obligations under this agreement without the express prior written consent of an authorized officer of the Service Provider, and all purported assignments or delegations in violation of these Terms shall be null and void.

18. ENTIRE CONTRACT

These Terms, together with any and all pricing supplements, sets forth the entire agreement between the parties, and shall supersede all prior or contemporaneous understandings, agreements, negotiations, representations, warranties, and communications, whether written or oral.

19. WAIVER

No amendment or waiver by the Service Provider of any provision of these Terms is effective unless set forth in writing and signed by an authorized officer of the Service Provider. No failure to exercise, or delay in exercising, any provision or right granted thereby of these Terms shall be construed as waiver thereof.

20. SEVERABILITY

In the event that any term or provision contained in these Terms are unenforceable or are declared invalid for any reason whatsoever, such unenforceability or invalidity shall not affect the enforceability or validity of the remaining terms or portions of these Terms, and such unenforceable or invalid warranty, representation or covenant or portion thereof shall be severable from the remainder of these Terms. If any term or provision of these Terms is found invalid, illegal, or unenforceable in any relevant jurisdiction, such invalidity, illegality, or unenforceability shall not strike, invalidate, or render unenforceable or ineffectual such term or provision in any other jurisdiction.

21. BINDING EFFECT

These Terms shall bind and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

22. FORUM AND CHOICE OF LAW

The parties hereto submit to the jurisdiction of the Courts of the Province of Ontario, and agree that this contract shall be governed by the laws of the Province of Ontario.

23. LANGUAGE

All parties acknowledge having required that the present General Terms and Conditions of sale and all invoices, documentation, notices, and judicial proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto be drawn up in English. Les parties reconnaissent avoir exigé la réaction en anglais des présentes conditions de vente ainsi que des tous documents, factures, avis et procédures judiciaires qui pourront être exécutés, donnés ou intentés à la suite de ou ayant un rapport direct ou indirect avec les présentes.