



STANDARD TERMS AND CONDITIONS OF SALE

The following terms and conditions of sale shall apply to all goods and services sold by Boreal Laser Inc. (Hereinafter called “Boreal”). The purchaser is deemed to have full knowledge of the terms and conditions herein and these terms and conditions shall be binding if the goods and/or services referred to herein are delivered and accepted by the purchaser.

1. GENERAL

In the event of any conflict or inconsistency between the terms and conditions of sale and the Boreal’s standard terms and conditions contained in the Purchaser’s order, Boreal’s terms and conditions shall prevail.

2. UNDISRUPTED FUNCTIONALITY

Boreal GasFinder units may include a permission key to ensure uninterrupted functionality. Boreal reserves the right to withhold the re-activation key.

3. QUOTATIONS

Quotations for equipment are valid for 90 days from document date. Prices presented in Boreal quotations are based on project requirements and scope agreed upon with input from the Customer. Changes in pricing due to errors and omissions will be made according to Boreal’s published price lists and rate sheet. Any changes in pricing will be made after consultation with Customer.

4. INVOICING

Equipment and services will be invoiced according to the standard terms of payment or by other terms negotiated and documented. All applicable provincial, state

and local sales taxes, fees, and duties will be added as required and are the sole responsibility of the purchaser and not Boreal.

5. TERMS OF PAYMENT

Billing and payment will be established according to Boreal’s Standard Terms and Conditions. Unless otherwise agreed, billing is as follows:

Equipment Sale: 50% of the purchase order value will be invoiced as pre-payment upon delivery of order confirmation. This 50% pre-payment will be payable net 30 days from the invoiced date. The outstanding balance will be invoiced upon shipment of the equipment. The 50% outstanding balance is payable net 30 days from the invoice date.

Consequences of Late Payment: Boreal has a number of options available to ensure timely payment. These include but are not limited to: Any amount past due will be subject to a late penalty of 2% per month (24% APR) applied to the total before taxes. Boreal reserves the right to withhold all services and/or equipment until outstanding balance is paid in full. As per section 2, Boreal reserves the right to deny access to the re-activation key(s), which would lock-out



and/or disable the functionality of the equipment until payment has been made in full. Boreal reserves the right to send the outstanding balance to collections.

6. CHANGES

Changes in project scope, specifications and supply will be documented and may be subject to additional charges as agreed to by Boreal and Customer. Additional time that Boreal field personnel are required to remain away from Boreal offices including delays from weather, client provided services, client operations or other requirements beyond the control of Boreal will be invoiced according to Boreal's standard rates unless otherwise agreed in writing.

7. CUSTOMER SUPPLIED EQUIPMENT AND SERVICES

Equipment and services provided by the Customer must be in good working order. Unallocated time required to integrate, troubleshoot, repair or correct customer supplied equipment or services will be subject to additional charges according to Boreal standard rates.

8. PRICE ESCALATION

The quoted prices will remain firm through the duration of the contract. Should shipping be delayed by the Customer or his agents through no fault of Boreal, then the price may be subject to escalation to bring the price in line with the revised selling price in effect on the shipment date.

9. TITLE

Title to the goods or any part thereof shall not pass from Boreal to the Purchaser until all payments due hereunder have been duly made. Until title has been transferred to the customer, Boreal reserves the right to withhold the re-activation key as per section 2. The goods shall be and remain moveable

property until title has transferred to the customer. If default is made in any payments herein, the Purchaser agrees that Boreal may retain all payments which have been made on account of the purchase prices as liquidated damages, and Boreal shall be free to enter the premises where the goods are located and remove them as Boreal property, without prejudice to Boreal's right to recover any further expenses or damages Boreal may suffer by reason of such non-payment.

10. CANCELLATION / RESTOCKING CHARGES

In the event that, through no fault of or action taken by Boreal, a Customer's purchase order is cancelled up until the transfer of title, a restocking charge of 50% of the item price will be levied against the Customer by Boreal.

11. INDEMNITY PROVISIONS

Customer and sub-contractors shall indemnify, defend, and hold harmless Boreal, its affiliates and their respective directors, officers, & employees against all expenses, costs, claims, losses, loss of profits, actions, lawyer fees, damages, duties, taxes, penalties, or liabilities (including without limitation special and consequential damages, and include the costs of replacing or recalling the customers equipment which may be damaged or rendered defective by materials furnished or work done in breach of warranties), or any amounts incurred by or which may become payable by the customer arising directly or indirectly either out of any breach by Boreal's Standard Terms and Conditions, including failure to provide the customer, prior to shipment of deliverables or as a result of the provision by Boreal if incorrect information/valid certificates of origin as provided thereunder and from any claims or actions arising from bodily injury (including injuries resulting in death) or loss of or damage to property of other which may result, directly or indirectly, from the negligent or wrongful acts of Boreal or its directors, officers, & employees relating to



the performance of this contract or any deliverables supplied hereunder.

12. INSURANCE PROVISIONS

Without limiting any of the Customer's obligations or liabilities, the Customer shall, and shall cause its subcontractors to, obtain and continuously carry, the following minimum insurance coverage with limits not less than those stated:

Workers' Compensation and / or Employer's Liability Insurance in compliance with the requirements of all applicable laws;

General Liability Insurance, with limits of not less than \$2,000,000 inclusive per occurrence for bodily injury, death and damage to property, including loss of use thereof. Such coverage shall be primary and include contractual liability and sudden and accidental pollution liability. Policy(ies) shall cover liability arising out of this agreement and all operations necessary or incidental thereto and include a waiver of subrogation in Boreal's favour and shall include Boreal as an additional insured. The specified limits of insurance and coverages in no way define or limit the obligation of the Customer under this agreement.

13. STANDARD WARRANTY

Boreal provides a standard warranty with all Boreal manufactured GasFinder units. The warranty covers the GasFinder Analyzers, Measurement Heads, and Accessories. The standard warranty does not cover items manufactured by third parties and supplied as components of a system, such as: cables; reflector elements; enclosures; scanning mounts; meteorological instruments; etc.

For items covered by the standard warranty, Boreal guarantees operation of ten (10) years for the Laser Light Source and three (3) years for all other components following shipment, there will be no charges for parts or service required to correct:

- Equipment breakdowns
- Equipment malfunctioning
- Repeated or recurring faults or errors in the system.

Instrument shipping and/or travel expenses for on-site service will be charged at cost.

For the warranty to be valid the equipment must be registered, installed, commissioned, and operated within Boreal's performance specifications.

This warranty does not apply to situations whereby system performance has been compromised as a result of customer negligence or abuse or damage resulting from natural disasters.

Boreal software is provided 'As Is' without any express or implied warranty of any kind. Boreal is not liable for any damages (including, without limitation, lost profits, business interruption, or lost information) arising out of use of or inability to use Boreal software products.

14. ENHANCED WARRANTY

Boreal can quote Enhanced Warranty on a project specific basis to include some or all of the following:

- Include all non-Boreal manufactured items supplied on a specific job.
- Extended warranty if a delay is expected from the time of delivery to the time of installation and commissioning.
- Include a specified number of site visits during the warranty period.
- Extend warranty on GasFinder systems beyond the standard three (3) year period.



15. EXPORT CONTROL, CUSTOMS, AND FOREIGN TRADE REGULATIONS

Supplier shall comply with all applicable export control, customs and foreign trade regulations and shall obtain all necessary export licenses, unless Purchaser or any other party other than the supplier is required to apply for the export licenses pursuant to applicable foreign trade regulations.

16. FORCE MAJEURE

Neither party shall be liable for any delay or failure or performance due solely to causes beyond its control without its fault or negligence including without limitations acts of God, strikes, fires, war, riot, flood, provided that supplier has given notice in writing to purchaser of any such cause for delay or anticipated delay promptly after first obtaining notice thereof and has used its best efforts to make deliverables as expeditiously as possible taking such cause for delay into account. Should supplier be unable, due to such a cause, to meet all its delivery commitments for deliverables ordered herein, suppliers shall not give preference to any to other customer in making deliveries of such deliverables. If purchaser believes that the delay or anticipated delay in suppliers deliveries may impair its ability to meet its production schedules or may otherwise interfere with its operations, purchaser may at its option, and with our liability to supplier, cancel outstanding deliver hereunder wholly or in part.

17. GOVERNING LAW

This contract shall be governed by, construed and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

Latest Revision: 10/13/20