

Purchase Order Terms & Conditions

The accompanying Abatement Technologies Limited (ATL) Purchase Order (PO) to Seller is expressly subject to and conditional upon Seller agreeing to the prices expressly set forth therein and to the Terms and Conditions herein. It should not be deemed an acceptance of any offer made by the Seller under different prices, terms or conditions. These Terms and Conditions are implicitly incorporated into all written and electronic orders between ATL and Seller as if expressly set forth therein.

PO ACKNOWLEDGEMENT Within two (2) business days after the PO is received, Seller must transmit written acknowledgment of receipt of this PO to ATL via email or fax, and confirm whether the requested delivery date will be met. Any different terms and conditions proposed by Seller must be expressly noted in this acknowledgment. Any such terms and conditions proposed by Seller that differ from the PO shall not be binding upon ATL unless ATL expressly agrees to them in writing.

DELIVERY Unless otherwise stated, time is of the essence. Shipments shall be made in the quantities and at the times specified on the original PO or subsequent revisions thereof provided by ATL. If Seller has reason to believe that deliveries will not be made as scheduled, it shall immediately give ATL written notice of such anticipated delay and its cause or causes. Late deliveries, deliveries of products ATL deems defective or not conforming to specifications or requirements shall be grounds for ATL to terminate this PO for cause, with no further obligation to Seller.

TRANSPORTATION AND ROUTING If ATL is responsible for bearing any portion of the transportation expenses, ATL reserves the right to designate a specific carrier and/or routing instructions for the PO. Seller shall be responsible for any added costs ATL incurs if these instructions are not followed. In the absence of any ATL instructions, the Goods shall be shipped via the lowest cost carrier and routing. Order shall be shipped complete unless written approval to do otherwise is granted by ATL.

BUYER'S RIGHT TO AMEND OR CANCEL ORDERS ATL shall have the ongoing right to modify its specifications, the method of shipment or packing, order quantities, and delivery times or locations, with reasonable notice prior to shipment by Seller. ATL further reserves the right to terminate this Purchase Order or any part hereof for its sole convenience with reasonable notice to Seller.

INTELLECTUAL PROPERTY Seller warrants to ATL that manufacture or use of the Goods and the sale or offer for sale of such Goods will not infringe any Canadian or foreign patent, copyright or trademark of Seller or any third party. Seller agrees to defend, indemnify and hold harmless ATL, its directors, officers, employees, successors, assigns, resellers and users of its Goods, from and against any damages, claims, liabilities, losses, costs and expenses (including, without limitation, court costs, reasonable attorneys' fees, profits, penalties or punitive damages) that arise out of or relate in any way to any actual or alleged infringements of such patent, copyright or trademark, or from the manufacture, use, sale or offer of sale of the Goods.

TOOLS AND MATERIALS OWNED BY BUYER Seller shall be responsible for protecting against loss of or damage to tools, dies, molds, and other articles owned by ATL (including such items made or provided by Seller at ATL's cost) that are in the care, custody and/or control of Seller, and keeping these articles good condition. However, Seller shall not be responsible or liable for normal damage to such items arising from processing or manufacturing in accordance with good shop practices. Seller shall not use such items except for performance of work on behalf of ATL, unless otherwise authorized by ATL in writing. All such items shall be plainly marked or otherwise adequately identified by Seller as property of ATL and shall be safely stored separately and apart from Seller's property. Seller agrees to promptly return all such items to ATL or another location at ATL's direction and expense. ATL shall have the right to take possession of any such items and the right of entry for such purpose

INSPECTION, RISK OF LOSS AND TITLE Payment for Goods or Services delivered hereunder shall not constitute final acceptance of such Goods and Services. Payment shall be made by ATL with a reservation of rights for overt, hidden or latent defects. All Goods and Services are subject to ATL's right to inspect and reject them within a reasonable amount of time. Unless otherwise agreed to by ATL, title to the Goods and the associated risk of loss or damage shall pass from Seller to Buyer after the Goods are delivered to the destination specified on the PO.

PRICES Seller warrants that the prices for the Goods are not less favorable than those currently extended to any other customer of Seller for the same or similar Goods in similar quantities. No extra charge will be allowed for packing, cartage or containers unless so specified in the Purchase Order.

WARRANTIES Seller expressly warrants to ATL that all Goods and Services covered by this PO will be new, conform to specifications, drawings, plans, instructions, or samples furnished by ATL or by Seller, suitable for the purpose(s) for which they were manufactured and sold, of good material and workmanship, and free from defects. Said warranty shall survive ATL's inspection, acceptance, and subsequent use or sale of Goods and Services. Seller agrees to promptly correct all defective or non-conforming Goods and Services, or to promptly replace such Goods, without expense to ATL. In the event of Seller's failure to correct or replace defective or non-conforming Goods and Services, ATL may make such correction or replacement at Seller's expense. The foregoing warranties and remedies shall be in addition to any additional warranties and remedies otherwise provided by law. Payment for Goods furnished pursuant to this PO shall not constitute acceptance thereof by ATL and shall be deemed to have been made without prejudice to any and all claims ATL may have against Seller. These remedies to ATL are not exclusive and are in addition to all other legal remedies available in the event of breach of warranty, including but not limited to credit, replacement or repair of defective goods at ATL's option, costs of removal of the Goods from products into which they have been incorporated, re installation of non-defective Goods, and cost of return of the Goods. Seller shall compensate, indemnify and hold ATL harmless from and against any incidental and consequential damages, claims, liabilities, and expenses (including court costs and reasonable attorneys' fees) relating to or resulting in any way from a breach of any express or implied warranty, or from any act or omission of Seller, its officers, agents, or employees. Seller shall also reimburse ATL for any incidental and consequential damages incurred by ATL due to such nonconforming Goods including, but not limited to, costs and expenses for inspecting, sorting, repairing or replacing such Goods, recall campaigns or other corrective actions, and claims for personal injury and/or property damage.

INDEMNITY AND INSURANCE Seller agrees to indemnify and hold harmless ATL, its directors, officers, employees, successors, and assigns against:

- (a) Any and all damages, claims, liabilities, losses, costs and expenses (including, without limitation, court costs, reasonable attorneys' fees, penalties, or punitive damages) that arise out of or result in any way from, in whole or in part, the use or sale of Seller's Goods, including death or injury to any person, damage to any property or equipment resulting, or claimed to result, from any actual or alleged latent or patent defects in the Goods sold to ATL by Seller including, without limitation from alleged improper construction or design; breach of any express or implied warranty; possession; or violation of any governmental law, statute, regulation, or ordinance.
- (b) Seller's breach of any covenants and agreements contained in this PO or,
- (c) Any act or omission of Seller, its directors, officers, employees, agents or subcontractors.

Seller shall maintain in full force at all times products liability insurance coverage of at least \$1,000,000 per incident and \$2,000,000 cumulative to protect ATL against such damages, claims, liabilities, losses, and expenses (including without limitation court costs, reasonable attorneys' fees, penalties or punitive damages). Seller agrees to promptly submit certificates of insurance to ATL evidencing its insurance coverage upon ATL's request and to promptly notify ATL in writing of any changes to or loss of its products liability insurance coverage.

CONFIDENTIALITY Seller shall consider all specifications, plans, instructions, samples and other information furnished by ATL, or prepared by Seller specifically for ATL in connection with this PO confidential and shall not disclose any such information to any other persons, or use such information for any purpose other than performing this contract. Without ATL's prior authorization, Seller shall not advertise or publish the fact that ATL has contracted to purchase Goods from Seller, disclose information relating to the PO, or use the ATL name in any of its advertising or promotional materials, website or other publications.

APPLICABLE LAW AND VENUE The rights of all parties hereunder and the construction of every provision hereof shall be governed by the laws of the Province of Ontario.

FORCE MAJEURE Damages incurred by ATL or Seller caused, in whole or in part, by reason of fire, flood, earthquake, tempest, strikes, war, Acts of God, embargo, civil commotion, governmental regulation, or other causes beyond ATL's or Seller's control shall terminate any further liability to the other party and give ATL the option of canceling all or any part of Goods not yet delivered to ATL by Seller.