

STANDARD TERMS AND CONDITIONS

- 1. 1000767971 Ontario Ltd. Dba EXELS Industrial Solutions (referred to as EXELS), if required, must approve non EXELS personnel, prior to arrival at our or sub-contractor facilities. 48 hours advance notice must be given.
- 2. Storage and handling fees are applicable to this contract commencing 60 days after completion of the contract. Insurance and weather protection for equipment stored is the responsibility of the buyer after this 60 day period.
- 3. A member of EXELS must accompany all buyer personnel. After standard working hours, supervisory personnel will be charged on a time and material basis.
- 4. Premium working hours, if required, are not included with this contract (unless noted).
- 5. Normal fabrication tolerances are applicable unless noted.
- 6. This proposal is valid for a period of 15 days from the date of being issued. Purchase orders based on this proposal are subject to acceptance by EXELS within reasonable time.
- 7. The buyer drawings supplied to EXELS are assumed to be correct and complete. We are not responsible for incorrect, incomplete or non-functional engineering documentation.
- 8. Warranty
 - a. EXELS warrants the workmanship and material involved in EXELS work to be free from defects in workmanship for a period of 1 year from completion of fabrication. Third party warranties, where applicable, will be passed on for the benefit of the buyer.
 - b. EXELS reserves the right to review any warranty claim prior to accepting it, to ensure that the equipment has been properly maintained
 - c. EXELS obligation under this warranty shall be limited to the repair or replacement or issuance of a credit. Any warranty service (consisting of time, travel and expenses related to such services) performed other than at EXELS premises during EXELS normal work hours shall be at Buyer's expense.
 - d. EXELS entire liability and Buyer's remedies are set forth in this paragraph 7. These remedies are Buyer's exclusive remedies and are in lieu of any other remedy at law or in equity
 - e. EXELS' liability to the buyer for any cause whatsoever shall be limited to the purchase price paid to EXELS for the goods. In no event shall EXELS be liable for any special, incidental, indirect, consequential or punitive damages, even if EXELS has been advised of the possibility thereof, including but not limited to lost profits, lost business revenue, damages resulting from loss of data or loss of use of the goods or damages claimed against buyer by any other person, arising under any circumstance.
 - f. A purchase order number will be required with each warranty claim prior to a service call.
- 9. Standard Payment will be on a progress basis with full payment, 30 days upon receipt. Interest on overdue accounts will be charged at the rate of 2% per month. Goods remain the property of EXELS until fully paid for, per standard law deposits are non-refundable.
- 10. EXELS shall manufacture or supply goods or services purchased hereunder in accordance with the Specifications, which EXELS has approved in writing.
- 11. Purchased goods or services shall be delivered or furnished at the time or times specified on the face hereof or, in the event no delivery schedule is stated within a reasonable period of time, but in no event shall EXELS be liable for damages of any kind or nature if it fails to deliver the goods or services at the time or times as indicated.
- 12. EXELS shall be entitled to withhold delivery of any of the goods or services if, EXELS is of the view that the financial position of the Buyer or the Buyer's payment history becomes unacceptable.
- 13. This contract shall be governed, construed, applied and interpreted in accordance with the laws of the Province of Ontario.
- 14. Drawings methods/procedures including applicable software to be EXELS standard unless otherwise specified by EXELS
- 15. Any Intellectual Property utilized or gained through this project, including but not limited to detail drawings, manufacturing methods, software/programs, process design, etc shall remain the property of EXELS unless otherwise indicated.



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Items noted below are **not** included unless otherwise noted in the signed quotation provided, there should be no assumptive inclusions for any goods/services unless otherwise indicated in writing in the quotation. The below list is meant to serve as typical industry examples and is not intended to be exclusive or exhaustive.

- Any costs associated with delays by other vendors or the end user.
- Any cost due to missed items by the customer or end user required to meet the PHSR review.
- Any specialized Safety circuits would be additional and dependent on a risk assessment and/or a PHSR report.
- Any new or modified machinery, as dictated by CSA standard Z432-04 "Safeguarding of Machinery" section 5.1.2, requires a documented risk analysis which has not been included.
- Pre-Health and safety review has not been included unless noted otherwise.
- Any Non-destructive Testing (NDT) including magnetic particle inspection unless noted otherwise or initial inspection of welds & bolt connections.
- Certification on standard rated equipment has not been included unless noted otherwise.
- Although every effort has been made to utilize accurate dimensional information during the quotation process, this quotation
 is subject to confirmation of dimensional information and approval prior to manufacture. It is to be expected that during
 engineering review after order details can/will change. Significant changes during the review process may lead to extra
 charges to the contract which will be quoted in writing and approved by the customer prior to EXELS proceeding with the
 project.
- Any/all required stamped drawings for structural and lifting devices unless otherwise noted.
- Finite element Analysis of the structure has not been included unless otherwise noted.
- New or relocation of any existing lights, structural steel, power/service lines or interference that may interfere with new
 equipment.
- Any required hardware or fabrication to re-enforce existing equipment or runways including additional hangers.
- Unionized or Non-unionized, skilled trades for electrical and mechanical installation.
- EXELS has not included any costs for concrete foundations, or steel building structure modifications with this proposal if required unless otherwise specified.
- The operator is responsible for completing all attachments and ensuring the product is secured and operating the equipment in a safe and manufacturer's approved method.
- All testing/trials/buy-offs to be completed at EXELS or our sub-contractor unless otherwise noted.
- EXELS has not included any equipment or costs for temporary production requirements.
- EXELS assumes the customer or end user will procure any permits required for the installation of equipment and services offered by EXELS. These permits may include but are not limited to City or Town permits, construction permits or local permitting fees. EXELS has not included any costs for procurement of any permits.
- Any required training on newly supplied equipment unless noted above
- Any required warning indicators including visional and audible alarms unless otherwise noted.
- All equipment painted with EXELS or original manufacturer's standard procedures.
- All diagnostic message nameplates and manuals are in the English language.
- Part present detection, feedback circuitry or other integration unless otherwise noted
- Any required safety covers to protect the operator from pinch points from existing equipment.
- ESA inspections and permits unless otherwise noted.
- Any required endurance testing of newly supplied equipment.
- All stand-by would be considered extra to the contract if delay is due to others.
- Installation labour not included unless otherwise noted
- EXELS is not responsible for the the end user's build process, time studies or other production considerations
- Ergonomic review(s) of equipment or processes
- Freight shall be EXW EXELS 275 Union St., Elmira ON unless otherwise noted.
- Prices in Canadian Dollars unless otherwise noted
- GST shall be charged extra.

Note: Additional pricing for items listed above may be provided upon request.