

**1. General Provisions**

- (a) This agreement, performances of contract and quotations are made exclusively upon the terms and conditions set out below. Alterations or deviations from the provisions herein contained shall not be binding upon HeatLink Group Inc. unless confirmed in writing.
- (b) The Purchaser hereby accepts the terms and conditions herein contained in their entirety. Stipulations of terms and conditions contrary to the provision hereof according to the Purchaser's business or purchasing practices, invoicing, manner of payment or custom of the trade are hereby specifically agreed to be inapplicable to this agreement.
- (c) In the event that any one or more of the provisions herein contained shall become or be deemed to be invalid, illegal or unenforceable by operation of law, the validity, legality and enforceability of the remaining provisions or any part thereof shall not in any manner be affected or impaired thereby. In place and stead of any such invalid, illegal or unenforceable provisions of any part thereof, the parties hereto shall be deemed to have agreed upon terms and conditions, which, as far as permitted by law, express the intent and purpose of the within terms and conditions.

**2. Plans and Specifications**

- (a) Drawings, specifications and technical data appended to or forming part of the agreement shall at all times remain the property of HeatLink Group Inc., with all rights reserved and shall not be provided, submitted or disclosed to third parties without the express written consent of HeatLink Group Inc. Changes, alterations, deletions or additions thereto shall not be binding upon HeatLink Group Inc. unless confirmed in writing.

**3. Prices and Quotations**

- (a) HeatLink Group Inc. hereby specifically reserves the right to change, alter, amend or revoke quotations but the same shall become binding and irrevocable only upon written acceptance by both HeatLink Group Inc. and the Purchaser or upon delivery to and acceptance of goods by the Purchaser.
- (b) Prices are, save and except as otherwise agreed upon, as at HeatLink Group Inc.'s location in Calgary, Alberta, Canada, exclusive of cost of packaging, crating, freight or shipping, federal, provincial or local rates, tariffs and taxes in effect on date of delivery.
- (c) All contract prices are guaranteed for thirty (30) days from date of contract. Cost increases 30 days after contract date, including but not limited to cost increases of materials, wages, fuel, transportation or energy charges and increases in applicable federal, provincial and local rates, tariffs or taxes shall be added to the contract price and form part thereof as if originally agreed upon.
- (d) Contracts for delivery of goods or performance of services without specific agreement as to price shall be subject to the price or prices in effect on the date of delivery of goods.

**4. Terms of Payment**

- (a) Save and except as otherwise specifically agreed upon in writing, all invoices or accounts, as the case may be, shall become due and payable in full without deduction whatsoever thirty (30) days after invoice or account date.
- (b) Holdbacks or deductions of any kind whatsoever without prior written authorization from HeatLink Group Inc. are expressly prohibited.
- (c) Discounts, if any, shall be calculated on the cost of goods as per invoice, exclusive of cost of packaging, crating, freight or shipping, federal, provincial or local rates, tariffs or taxes, where applicable, or other costs or surcharges beyond control of HeatLink Group Inc.
- (d) Payment will be in a form agreed to and acceptable by HeatLink Group Inc. All costs for dishonour, presentment for payment or collection shall be at the expense of the Purchaser and Payor. All payments by cheque, whether certified or uncertified, shall be deemed as having been received on the date of acceptance for payment of the said cheque or cheques by the Purchaser's or Payor's bank, trust company or financial institution upon whose account the cheque has been issued.
- (e) Payments received shall be applied firstly to designated accounts, dishonour or collection; secondly, to outstanding interest charges on the oldest accounts; and, thirdly, the balance, if any, of any payment shall be applied to the most recent accounts, outstanding balance or balances. If an account is past due at the time of payment, then application of received funds will be in the order best interest to HeatLink Group Inc.
- (f) In the event the Purchaser defaults in payment or causes a cheque, bank draft or money order to be dishonoured or stops payment thereon, or HeatLink Group Inc. shall deem the Purchaser insecure, all accounts shall forthwith become due and payable notwithstanding any agreement as to credit or periodic payment.
- (g) Overdue accounts shall bear interest at the rate stated on the face of the invoice or (if no rate is displayed on the invoice), 2% calculated and compounded monthly.

**5. Reservation of Title and Property**

- (a) It is hereby expressly agreed that all goods shall remain the exclusive property of HeatLink Group Inc. and title shall not pass until payment in full of all invoices or accounts rendered, including cost of goods, packaging, carting, shipping or freight charges, federal, provincial or local taxes, rates and tariffs, insurance, extras to contract, interest charges, exchange or collection expenses and other sums or charges applicable has been received pursuant to the terms and conditions herein contained.
- (b) Goods delivered shall not, in any event, become part of real estate and the Purchaser shall at all times take or initiate all steps necessary to preserve HeatLink Group Inc.'s right, title and property to such goods.

- (c) The Purchaser shall not permit any goods sold or delivered by HeatLink Group Inc. to be pledged or encumbered without express written consent from HeatLink Group Inc. In the event of seizure by third parties, the Purchaser shall forthwith disclose HeatLink Group Inc.'s reservation of title, right and property to such goods and shall forthwith notify HeatLink Group Inc. of such seizure and shall assist HeatLink Group Inc. at the Purchaser's cost in the preservation and enforcement of HeatLink Group Inc.'s right, title and property to the said goods.
- (d) In the event of breach of contract by the Purchaser of the terms or conditions herein contained and, in particular, default of payment of invoices as hereinbefore provided, HeatLink Group Inc. shall be entitled, without prior notice, to demand delivery up of goods sold and delivered and to seize the same wherever the same may be located at any time of day or night or to cause its agents, workmen or bailiffs to seize the same, wherever the same may be located at any time of day or night notwithstanding the goods may be in possession of a subsequent purchaser or user.
- (e) Seizure of goods by HeatLink Group Inc. shall not be deemed to constitute termination of contract or contractual rights and obligations as between HeatLink Group Inc. and the Purchaser.

**6. Delivery of Goods**

- (a) HeatLink Group Inc. shall at all times use its best efforts to maintain the delivery dates agreed upon. The delivery date or period shall be deemed to have been maintained or complied with in all events, cases or situations where the goods to be delivered leave HeatLink Group Inc.'s premises on or before such date, before the expiry of such period or the Purchaser is notified before the applicable date that the goods are ready for shipment.
- (b) Delivery dates or periods shall be extended by reason of delays caused by labour shortages, strikes or lockouts or other circumstances beyond the reasonable control of HeatLink Group Inc. Any delay or postponement of delivery to HeatLink Group Inc. of goods and supplies by its suppliers, subcontractors or co-contractors caused by strike, lockout, labour shortage or unrest or other causes beyond the reasonable control of HeatLink Group Inc., its suppliers, subcontractors or co-contractors shall in like manner extend delivery dates and periods as if the same applied to HeatLink Group Inc.
- (c) In the event of delay in delivery of goods caused by the Purchaser for any reason whatsoever, HeatLink Group Inc. shall be entitled to charge the cost of storage calculated at the rate of one half (½%) percent per month upon the cost of goods, such calculation commencing one month after delivery of Notice of Readiness for shipment and continuing for each and every month or part thereof thereafter until the goods can be delivered to the Purchaser.

**7. Risk of Property**

- (a) Commencing on the date of delivery of goods for shipment or transport to the Purchaser, the said goods or any part thereof shall be at the risk of the Purchaser.
- (b) Any goods or part thereof delivered for shipment or transport to the Purchaser from the factory Calgary, Alberta, or elsewhere, including goods with unessential or minor defects, shall be deemed to have been accepted by the Purchaser without recourse.
- (c) Deficiencies or defects in goods or part thereof shipped or the shipment of the wrong goods, or part or part thereof, shall be endorsed upon the bill of lading and shall be communicated to HeatLink Group Inc. in writing within three (3) business days of arrival at destination. Failing such notification, the Purchaser shall be deemed to have accepted the goods without recourse.

**8. Return of Goods**

- (a) All or any goods returned without prior authorization by HeatLink Group Inc. shall not be accepted.
- (b) If returns are authorized by HeatLink Group Inc., goods will be accepted as follows:
  - (i) New and unused goods upon authorization by HeatLink Group Inc., with freight to be prepaid plus 25% restocking charge.
  - (ii) Outdated goods, with freight prepaid plus 25% restocking charge plus refurbishing costs.
- (c) In all cases, unless express written authorization is given, goods must be returned in condition for immediate resale. If goods and packaging are not in condition for immediate resale, HeatLink Group Inc. reserves the right to refuse to accept the returned goods, charge additionally for refurbishing goods or packaging, or any other agreed to return remedy negotiated with the customer. In all cases, HeatLink Group Inc. will have the final approval as to whether returned goods are accepted or unaccepted under any of the above remedies.

**9. Insurance**

- (a) During the period commencing with the delivery of goods for shipment or transport to the Purchaser and ending upon receipt of payment in full for the said goods pursuant to the terms and conditions hereof, the Purchaser shall insure the said goods in the joint names of HeatLink Group Inc. and the Purchaser against all risk of loss or damage howsoever caused.

**10. Applicable Law**

- (a) All disputes, claims or demands arising from or relating to warranties, guarantees, representations authorized and published by HeatLink Group Inc., and from the terms and conditions herein contained and all claims, demands, rights or liabilities arising from such warranties, guarantees, representations or terms and conditions shall be determined in accordance with the laws of the Province of Alberta, Canada.