

## STANDARD SALES TERMS AND CONDITIONS

### 1. ACCEPTANCE OF QUOTATION

In these terms and conditions, Manly Marine Closures Ltd. is referred to as the "Seller," and the Seller's facilities at 20 Brooksbank Ave, North Vancouver, B.C., V7L 4L3 are referred to as the Seller's "Works." The party receiving the quotation is referred to as the "Customer." Acceptance by the Customer of the attached quotation shall constitute acceptance of these terms and conditions which shall apply to and govern all products provided by the Seller, including extras and additional products subsequently ordered. Only quotations presented on the Seller's letterhead are binding on the Seller upon acceptance. If the Customer does not accept a quotation within thirty (30) days of its delivery, it will expire unless the acceptance period is extended upon the written consent of the Seller.

### 2. ALTERATIONS

No alteration to the quotation or to any specification related thereto shall be made without consent of the Seller in writing. Any such alteration shall constitute an extra charge or credit, as the case may be.

### 3. TAXES EXTRA

All applicable sales, services and similar taxes, whether federal, state or provincial, shall constitute an extra charge and are not included in the quotation.

### 4. DELIVERY/HANDLING

Unless otherwise stated, the quotation is based upon delivery of the products FOB the Seller's Works. A \$50 handling charge will be applied for preparation of shipping documents (eg. waybills, commercial invoices, NAFTA certificates, etc.)

### 5. PAYMENT

Unless otherwise stated, payment is due and payable upon acceptance of the quotation by the Customer. All other payments should be directed to the address appearing on the invoice. Overdue accounts will be subject to a late payment charge of 1.5% per month (18% per annum) and the Seller is entitled to recover any fees and costs associated with the collection of overdue accounts.

### 6. WARRANTY CLAIMS

Products quoted and supplied by the Seller are warranted free of defects in materials and workmanship for a period of one year from the date of invoice provided such products have not been damaged through abuse, misuse, negligence, mishandling, or improper installation - on the part of the Customer. Upon receipt of written notification within the one year warranty period, the Seller will repair or replace at the Seller's option any agreed upon defective materials or workmanship, or at the Seller's option pay a sum equal to the cost of such corrective action as if undertaken by the Seller at its own Works. This warranty is exclusive and in lieu of all other warranties, whether express or implied, including the implied warranties of merchantability and fitness for a particular purpose. Warranty claims are subject to the return of the defective goods by prepaid freight to the Seller's Works. Notwithstanding any other term or condition contained herein, items or materials not manufactured by Seller are warranted only to the extent that the suppliers of such items or materials provide warranties, and only in the event that Seller, on a best efforts basis, is able to have such warranties assigned to the Customer.

### 7. **LIMITATION OF LIABILITY**

Save as provided in Clause 6 or in the case of Seller negligence, the Seller shall not be under any contractual or other liability owed to the Customer, and such Seller liability shall be subject to the following overriding limitations and exceptions, namely:

- (a) The total liability of the Seller to the Customer for any damages shall be limited to the amount actually paid by the Customer to the Seller for the products provided pursuant to the quotation, to a maximum of \$1,000,000 CDN.
- (b) In no circumstances shall the liability of the Seller include any sum in respect of loss of profit or loss of use of any vessel or facility, or damages consequential upon such loss of use, or any other consequential damages.
- (c) Seller's risk of liability shall cease upon expiry of the warranty period as outlined in Clause 6.
- (d) The Customer, where not the owner of the vessel or facility requiring the products provided by the Seller, shall be deemed to contract on the owner's behalf as well as on its own behalf, and this clause shall bind both the Customer and the owner to the extent specified.

### 8. **STATUTORY RIGHTS**

Nothing herein contained shall affect any right which the Seller may have to limit its liability under any statutory enactment for the time being in force.

### 9. **WORKING HOURS**

Unless otherwise stated, the quotation covers work performed during the Seller's normal working hours Monday through Friday. All work performed outside normal working hours or on Saturday, Sunday and public holidays is subject to overtime charges.

### 10. **OVERTIME**

If the Customer requires that the Seller's employees work overtime, the extra cost of such overtime shall be an additional charge and shall be paid by the Customer.

### 11. **PRIOR COMMITMENT**

Prior to formal acceptance by the Customer, the quotation is subject to any other commitments made by the Seller to third parties.

### 12. **DIMENSIONAL TOLERANCES**

For purposes of acceptance, dimensional tolerance shall be +/- 1/8 inch.