

TERMS AND CONDITIONS – TEST EQUIPMENT DISTRIBUTORS CANADA INC.

IN PLACING AN ORDER ("Order" or "Orders") FOR ANY GOODS ("Goods") OR SERVICES ("Services") WITH TEST EQUIPMENT DISTRIBUTORS CANADA INC. (the "Vendor"), THE CUSTOMER (the "Customer") AGREES TO THE FOLLOWING TERMS AND CONDITIONS, WHICH ARE INCORPORATED INTO ALL ORDERS, AND WHICH THE CUSTOMER ACKNOWLEDGES HAVING READ AND ACCEPTS IN FULL. PLACING AN ORDER WITH THE VENDOR SHALL CONSTITUTE DEEMED ACCEPTANCE OF THESE TERMS AND CONDITIONS BY THE CUSTOMER.

THESE TERMS AND CONDITIONS ARE HEREBY INCORPORATED INTO ANY AND ALL PURCHASE AGREEMENTS BETWEEN THE VENDOR AND THE CUSTOMER (a "PURCHASE AGREEMENT") AND SHALL TAKE PRECEDENCE IN THE EVENT OF ANY INCONSISTENCY.

THESE TERMS AND CONDITIONS SHALL NOT BE ADDED TO, MODIFIED, OR ALTERED UNILATERALLY BY THE BY THE CUSTOMER, THROUGH PURCHASE ORDERS OR OTHERWISE. NOTICE OF OBJECTION IS HEREBY GIVEN TO THE CUSTOMER OF THE CUSTOMER'S ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS. NEITHER THE VENDOR'S COMMENCEMENT NOR COMPLETION OR PERFORMANCE SHALL BE DEEMED OR CONSTRUED AS ACCEPTANCE OF THE CUSTOMER'S ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS.

THE TERMS HEREOF MAY BE MODIFIED ONLY BY WAY OF A CUSTOM AGREEMENT SIGNED BY AUTHORIZED REPRESENTATIVES OF BOTH THE CUSTOMER AND THE VENDOR (a "Custom Agreement"). ALL TERMS AND CONDITIONS HEREOF THAT ARE NOT OTHERWISE INCONSISTENT WITH THE TERMS AND CONDITIONS OF A CUSTOM AGREEMENT SHALL CONTINUE TO APPLY.

1. **APPROVAL BY THE VENDOR:** An Order shall only become binding on the Vendor when approved and accepted in writing by an authorized representative of the Vendor. The Vendor shall not be obliged to accept Orders for any reason whatsoever, including, without limitation, if the Customer's account is not current.
2. **PRICE QUOTATIONS:** All price quotations expire at the earlier of (i) thirty (30) days from the date of the quotation or, (ii) the end of the ordering period of any Purchase Agreement against which the quotation is issued.
3. **TAXES:** All prices quoted by the Vendor are exclusive of any and all present or future sales, use, excise, or any other tax, duty, fee, or charge which may now or hereafter be imposed by any governmental authority on the manufacture, sale and shipment of the Goods or Services sold. Wherever applicable, any tax or taxes will be added to the invoice by the Vendor as a separate charge to be paid by the Customer, unless the Customer provides sufficient documentation of an exemption from such tax or taxes. If such exemption document is not recognized by the taxing authority involved, the Customer agrees to promptly reimburse the Vendor for any taxes covered by such exemption documentation which the Vendor is required to pay, together with all interest, fines or penalties thereon imposed by a taxing authority.
4. **RESERVATION OF OWNERSHIP:** The agreement resulting from the acceptance of an Order shall constitute an installment sales within the meaning of article 1745 of the Civil Code of Quebec. The Vendor reserves ownership of the Goods until full payment of the sale price to the Vendor. The Customer acknowledges that the Vendor may register such reservation of ownership in any personal property registry in any jurisdiction that may be useful or necessary in the Vendor's sole discretion. The Customer undertakes to sign any further document which may be required by the Vendor for the purposes of such registration. Notwithstanding the foregoing, the Customer hereby agrees to assume (i) all liability of any nature whatsoever for loss of or damage to the Goods and (ii) all the risks of an absolute owner of the Goods, the whole to the total exoneration of the Vendor, as and from the date that the Goods are deposited with the carrier for shipment to the Customer.
5. **TERMS OF PAYMENT:** Invoices shall be paid in full by the Customer within thirty (30) days of issuance, without any right of set-off, counter claim or reduction for any reason whatsoever. Payment shall be made to the Vendor's address indicated on the invoice at the time of delivery. Any amount which remains unpaid following such thirty (30) day period shall bear interest at the rate of prime + 2% per year, calculated and payable monthly with interest on the accumulated interest at the same rate as of the date when the interest was due up until the date of payment. If the Customer's account with the Vendor is not current, and the Vendor may require the Customer to pay on a cash-with-order basis as a condition to acceptance of the Order.
6. **VENDOR'S RIGHT TO SUSPEND:** The Vendor may suspend the delivery of any Order if, in the Vendor's sole opinion, the financial situation of the Customer justifies such action, the whole without any recourse on the part of the Customer against the Vendor, even if the information upon which the Vendor based its opinion is proven to be incorrect. If the Vendor suspends delivery in accordance herewith, the Customer may be required to pay for the Order in full prior to delivery.
7. **PREPAYMENT FOR SPECIAL ORDERS:** The Vendor may, in its discretion, require the Customer to provide partial payment at the time of Order for any non-standard Order.
8. **PROMISSORY NOTE:** Upon the Vendor's request, the Customer agrees to remit to the Vendor demand promissory notes in form and tenor acceptable to the Vendor, evidencing the Customer's indebtedness to the Vendor in respect of any Order.
9. **CUSTOMER'S DEFAULT:** In the event that the Customer fails to pay any of the amounts payable to the Vendor when due or otherwise fails to execute any other obligations to the Vendor under any Order, Purchase Agreement, or Custom Agreement, the Vendor shall have the right, at its sole option, to (i) require the Customer to furnish satisfactory security for the due performance of its obligations, (ii) require immediate payment in full of all outstanding sums due together with any and all interest accrued thereon, and/or, (iii) upon notice to the Customer, suspend all further shipments and/or terminate the Order, Purchase Agreement, and/or Custom Agreement, or such part thereof which remains unexecuted, repossess the Goods as is and in their then present state as absolute owner thereof, without any liability for (a) any restitution whatsoever to Customer for any payments made to the Vendor prior thereto which may be retained by the Vendor as liquidated damages, or (b) any indemnity whatsoever for any improvements or additions made to the Goods, the whole without prejudice to the Vendor's other rights and recourses hereunder or in law or equity.
10. **TESTING:** Any additional testing or demonstration of operation prior to shipment requested by the Customer over and above the suppliers' normal testing procedures shall be performed at the Customer's expense and may require the delivery date to be rescheduled to a later date.
11. **DELIVERY:** All Goods, including Goods to be installed by the Vendor, shall be shipped F.O.B. point of origin. The date of shipment shall be contingent upon the date of acceptance of the Vendor's offer. The Vendor shall not be responsible or liable for any delay directly or indirectly resulting from or contributed by limitations on the Vendor's supplier. If the Customer wishes for shipping charges to be prepaid and charged, a 15% administration fee will be added to the shipping and handling cost. The Vendor shall have the right to ship all of the Goods at one time or in portions from time to time within the time of shipment. Delivery dates given prior to shipment are estimates only, and while the Vendor undertakes to use its best efforts to make the shipments within the delays provided for, it shall not be responsible for any direct or indirect damages, including gross profits, lost savings or other incidental or consequential damages, resulting from any delay in delivery, regardless of the cause of such delay and even if the Vendor was made aware of the possibility of such damages.
12. **RISK OF LOSS:** The risk of loss of the Goods shall pass to the Customer as soon as they are deposited with the carrier for shipment to the Customer. The Vendor shall not be held responsible for any damages caused to the Goods during transportation.

13. **INSURANCE:** In respect of all Orders over \$50,000 dollars, the Customer shall at its sole cost obtain and maintain in force at all times as and from the date of that the Goods sold pursuant to the Order are deposited with the carrier for shipment to the Customer and until payment in full of all amounts payable to the Vendor pursuant to such Order, a fire, all risks, extended coverage and malicious damage insurance policy in order to protect the Goods against fire, theft, and any other peril, damage or loss for the new replacement value of the Goods. This insurance policy shall name the Vendor as a co-insured. The proceeds of the insurance policy shall be used firstly to pay to the Vendor the unpaid balance of the invoice price of the Goods and all interest and other charges related thereto as provided for hereunder and the balance of said proceeds, if any, shall, secondly be paid to the Customer. This insurance policy shall stipulate that it cannot be modified, be annulled or expire without the insurance company having first sent the Vendor 30 days prior written notice. The Customer understands and agrees that the obtaining of such insurance does not relieve Customer in any way whatsoever from any of Customer's other obligations hereunder.
14. **SEPARATION AS TO GOODS SOLD:** All Orders shall be deemed separable as to the Goods sold. The Customer may not refuse to accept any lot or portion of the Goods shipped on the grounds that there has been failure to ship any other lot or that the Goods in any other lot were nonconforming. Any such default by the Vendor will not substantially impair the value of the Order as a whole and will not constitute a breach of the Order, Purchase Agreement and/or Custom Agreement as a whole.
15. **INSTALLATION AND START UP:** Installation and start-up shall be the sole responsibility of the Customer. In the event that the Customer has engaged the Vendor to provide an engineer for start-up supervision, such engineer will function in a supervisory capacity only and shall have no responsibility for the quality of workmanship of the installation. The Customer shall furnish, at the Customer's expense, all necessary foundations, supplier, labor, and facilities which might be required to install and operate the Goods.
16. **EXPENSES:** When applicable, all on-site setup, startup and training expenses, are extra and shall be charged by the Vendor to the Customer by way of a separate invoice.
17. **CANCELLATION:** Once accepted by the Vendor, Orders cannot be cancelled by the Customer unless requested in writing and accepted in writing by the Vendor. If the Vendor accepts the cancellation, the Customer shall, within thirty (30) days of such cancellation, pay the Vendor a cancellation fee determined by the Vendor in the Vendor's sole discretion based on the costs and expenses incurred by the Vendor prior to the receipt of the request for cancellation, including, but not limited to, all commitments to its suppliers, subcontractors and others, all labor and overhead expended by the Vendor in the preparation of the Order prior to cancellation, plus an amount equal to 15% of the aggregate of the foregoing.
18. **INSPECTION AND ACCEPTANCE:** The Customer shall inspect the Goods within fifteen (15) days of receipt thereof. The Customer must advise the Vendor if the Goods do not conform to the Order and/or are not functional ("**Nonconforming Goods**") within such delay, in which case the Vendor shall promptly replace the Nonconforming Goods with conforming and/or functional goods, as the case may be, and assume the costs in connection with the replacement thereof. If the Customer does not advise the Vendor that it has received Nonconforming Goods within the fifteen (15) day delay, the Customer shall be deemed to have irrevocably accepted the Goods as is.
19. **RETURNS:** Special order Goods cannot be returned. Regular catalogue items may be returned, provided that the request for return is made within fifteen (15) days of receipt thereof and the Goods are received by the Vendor within thirty (30) days. Upon receipt of a request for return, the Vendor shall provide the Customer with a return authorization number, which must be clearly marked on the return shipping label and included in all correspondence regarding the return. Goods must be returned in their original packaging, and in re-sellable condition, and must be returned along with all accessories, certifications and documents. In the event that the Goods are not in the aforementioned re-sellable condition, the Vendor may, in its sole discretion, either (i) refuse the return, or (ii) recondition the Goods for resale, in which case it shall deduct all costs incurred (the "**Reconditioning Costs**") from the amount of the refund. Any return due to the Customer's error will be subject to a 25% restocking fee, which shall, in addition to any Reconditioning Costs, be deducted by the Vendor prior to issuing any refund to the Customer in connection with the return. Return freight must be prepaid. **No cash on delivery returns will be accepted.** The Vendor reserves the right to deviate from the return policy referenced here in special circumstances and in its sole discretion.
20. **LEASE:** Any systems acquired under lease shall be subject to a separate lease agreement. Lease renewals or lease-purchase options will be subject to rates in effect at the time of renewal or purchase.
21. **MANUFACTURERS' WARRANTIES ONLY:** The Customer acknowledges that the Vendor is a reseller of the Goods, and that the sale between the Vendor and the Customer is made **at the sole risk and peril of the Customer, without warranty of any nature whatsoever provided by the Vendor**, whether legal or contractual, expressed or implied, including, but without limiting the generality of the foregoing, any warranties relating to merchantability, fitness for a particular purpose, quality or performance and the legal warranty against hidden or latent defects. The sale is, however, covered by all warranties provided by the manufacturer of the Goods in respect of the Goods (the "**Manufacturer's Warranties**"), and accordingly, the Customer shall address any and all requests and recourses relating thereto directly to the manufacturer, to the total exoneration of the Vendor. The Vendor undertakes to use its best efforts to assist the Customer in availing itself of any such applicable Manufacture's Warranties, if so reasonably requested by the Customer.
22. **FORCE MAJEURE:** The Vendor reserves the right to cancel any Order at any time should fulfillment thereof in whole or in part be delayed or rendered impossible by any acts of God or force majeure, including, without limitation, any civil commotion, sabotage, strikes, lockouts, labour disputes or shortages, war, accidents, fire, delays in manufacturing, transportation or the delivery of materials, floods, pandemics, epidemics, government laws, ordinances, rules and regulations whether valid or invalid, including, without limitation, import or export prohibitions or limitations, priorities, requisitions, allocations and price control restrictions, and any other cause beyond the Vendor's reasonable control. For greater certainty, the ongoing situation relating to COVID-19 constitutes a force majeure for the purposes hereof. In the event of such termination by the Vendor, the Vendor's obligations under such Order shall cease, without any rights or recourses of any nature whatsoever on the part of the Customer. In all circumstances, the Customer shall remain liable to pay for any Goods delivered prior to termination.
23. **LIMITATION OF LIABILITY AND DAMAGES:** The Customer's right and recourse in the event of any breach or default by the Vendor, which is not otherwise excused hereunder, shall be strictly limited to either (i) the termination of the Order or (ii) a claim in damages against the Vendor, which claim shall be strictly limited by the amount paid by the Customer in connection with the Order to which the breach relates. For greater certainty, the Vendor's liability for damages in respect of any Order is expressly limited to the amount paid by the Customer in respect of such Order. In addition, the Vendor shall under no circumstances be held liable for 1) any direct or indirect damages, including, but without limiting the generality of the foregoing, lost profits, lost business revenues, lost savings or any other incidental or consequential damages, arising out of the use or inability to use any part of the Goods, even if the Vendor had been advised of the possibility of such damages, 2) any damages claimed from the Customer by a third party, 3) any damages caused to the property of the Customer or of any third party, or 4) any damages resulting from any act of the Customer, any act of a third party or any act of God or force majeure, as stipulated in section 22 hereof.
24. **GOVERNING LAW AND JURISDICTION:** All Orders are governed by the laws of Canada and the Province of Quebec, as the case may be, and any dispute in connection therewith shall be presented exclusively before the Courts in Quebec, district of Montréal, which have exclusive jurisdiction.