

SALES CONDITIONS APPLICABLE TO ALL SALES OF SEFAR FILTER PRODUCTS AND PRINTING PRODUCTS

BY : SEFAR inc. (the «**Vendor**»)

Unto: _____ - (the «**Purchaser**»)

(Hereinafter collectively called the «**parties**» or individually a «**party**»)

It is agreed between the parties that the sale by the Vendor of the Products described in the quotations and/or the purchase orders of the Purchaser and forwarded to the Vendor is subject to the conditions set out herein (collectively referred to as the «**Conditions**») and such, regardless of the terms and conditions that may appear on any quotations or purchase orders of the Purchaser, even though such quotations and purchase orders were already accepted by the Vendor.

1. PRODUCTS :

In this agreement the word « Product(s) » refers to, without limitation:

- I. The Products of the Vendor held in inventory; and/or
- II. The Products specifically manufactured by the Vendor for the Purchaser (namely such Products manufactured for the Purchaser according to its specifications).

2. PRICE AND DELVIVERY CONDITIONS:

- a. The prices of the Products are set out according to the current price list of the Vendor which is available to the Purchaser upon demand. The quotations and prices for the Products specifically manufactured for the Purchaser are also provided by the Vendor upon demand.
- b. The Vendor may modify prices and delivery conditions of the Product herein upon prior written notice to the Purchaser at least ____days before the coming into force of such new prices or delivery conditions.
- c. The prices already agreed to with the Purchaser in connection with orders already accepted by the Vendor are not subject to change.

3. PAYMENT TERMS AND CONDITIONS:

- a. Unless otherwise agreed in writing by the Vendor and the Purchaser pursuant to a separate agreement, all invoices of the Vendor must be paid by the Purchaser within 30

days of the date thereof. Payments are made by check or wire transfer and must be received by the Vendor before the expiry of the above delay. The Purchaser shall make its payments without rebates and hereby renounces to any set-off principles that could be opposed to the Vendor.

- b. Any amount due by the Purchaser to the Vendor under this agreement, which is not paid when due shall, until paid in full, bear interest at the rate of 1.5% per month, monthly compounded, being an annual effective rate of 19.56%. The interest cost herein is not intended to be regarded as a line of credit allowing the Purchaser to postpone or delay the payment of its invoices with the Vendor. The invoices are payable in full at their due date.

4. DELIVERY CONDITIONS:

- a. Unless herein otherwise specified, the orders of Products shall not be cancelled without the prior written consent of the Vendor and the payment of such cancellation fees as agreed to between the Purchaser and the Vendor.
- b. The Products shall be sold and delivered from their shipping emplacement as specified by the Vendor. From the moment the Vendor notifies the Purchaser that the Products are available for delivery, the risks of loss are assumed by the Purchaser. Delivery and/or carriage fees are upon the Vendor from the sale point of the Vendor up to the delivery point specified by the Purchaser.
- c. The Purchaser shall, depending on the premises of the Vendor available at the shipping site, select the transportation and delivery mean and so inform the Vendor for each and every order. If the Purchaser does not specify a mean of transportation and delivery, the parties agree that the Vendor shall have the right to select any mean of delivery as it deems reasonable for which the fees therewith shall be entirely assumed by the Purchaser.

5. ACTS OF GOD:

The Vendor shall be not be liable to the Purchaser or any other person for any fault or delay in the compliance of any obligation herein by reason of an event independent of its will, including without limitation, a fire, storm, flood, earthquake, pandemic, explosion, accident, public interest decisions, war, riots, public disturbance, sabotage, strikes or lockouts, labor conflicts, manpower shortage, reduction or interruption or delay in the work including shortage or power failure and/or lack of material due to any of the aforementioned elements or resulting from equipment failure, ban, delays in transportation, natural disasters, machinery or equipment failure, amendments to laws or regulations. The Purchaser shall not be responsible for delays in or failing to take possession of the ordered Products by reason of such events as above described.

6. PRODUCTS:

- a. Each time the Purchaser orders Products, the parties undertake to mutually decide the quantities as well as acceptable delivery dates. Accordingly, the Vendor shall deliver to the Purchaser and the Purchaser shall accept the delivery and receipt of the orders as per the specified quantities and the agreed upon delivery dates, it being understood that the Vendor may ship a quantity higher or lower than 10% of the agreed quantity of Products for any delivery.
- b. If the parties do not agree on the quantity of Products to be delivered in a single occasion as well as to the dates of delivery, the Purchaser agrees to accept the Products as they are reasonably delivered by the Vendor.
- c. Upon expiration of this agreement or termination thereof, in whole or in part, for any reason whatsoever, the Purchaser shall pay the Vendor according to the conditions herein set out and shall accept delivery of all Products then fully completed or that were specifically manufactured and ordered by the Purchaser, as at the expiration or termination date.
- d. The Purchaser acknowledges and agrees that despite the involvement of the Vendor into the conception and/or manufacturing of the Products or the provision of advice and information thereto:
 - i. The Vendor shall not be liable to the Purchaser or any third party if the conception, assembling or manufacturing of the Products or the print or graphic elements appearing on the Products (in whole or in part) which is executed in compliance with the specifications and at the request and/or the approval of the Purchaser, contravenes to third party proprietary rights or does not comply with applicable laws or regulations.
 - ii. As a consequence of the foregoing, the Purchaser undertakes to indemnify and take up the defence of the Vendor (in capital, interest, judicial and extrajudicial fees) and to hold the Vendor harmless and indemnified from and against any and all remedies, claims or demands that could be asserted against the Vendor as a result or by reason of the foregoing.

7. CLAIMS, WARRANTIES AND LIMITED LIABILITY

- a. Any claim made by the Purchaser in respect of any Product shall be made in writing to the Vendor within the year following the date of purchase of the Product. Beyond such delay, there is no warranty.

- b. During the term specified in paragraph a) above, the Vendor represents to the Purchaser that the Products are free from any defects which would render the same unsuitable for their intended purpose.
- c. The parties agree that the sole indemnification of the Purchaser by the Vendor resulting from the liability of the Vendor with respect to any claim in contract or applicable warranty, is limited to, at the option of the Vendor, the replacement of the defective Product or the reimbursement of the defective Product according to the net price invoiced and paid by the Purchaser.
- d. In no case shall the Vendor be liable to the Purchaser or any person of any damage resulting from a wrongful use of the Products or if the Products are not properly warehoused, handled, packaged or distributed in accordance with good commercial practices and in compliance with all of the recommendations of the Vendor or the manufacturer.

8. DEFAULT AND RENONCIATION:

If the Purchaser fails to pay in full an invoice when due or to accept and take possession of any Products upon its delivery and/or fails to execute any obligation herein after having been notified to do so, the Vendor may, in addition to and without prejudice to its other rights and remedies, differ the delivery of any Product until such time as the default is cured or terminate this agreement upon simple notice. When applicable, this agreement shall terminate at the date appearing on the termination notice.

9. APPLICABLE LEGISLATION:

Any matter relating to this agreement including its validity, its construction or performance shall be governed by the laws of province of Quebec and that of Canada therein applicable.

For all intents and purposes, the parties agree to elect domicile in the province of Quebec, within the judicial district of Saguenay.

10. AMENDMENT:

The herein conditions including the schedules hereto and those that may be supplemented in the future shall:

- i. Constitute the entire agreement entered into between the parties in connection with the Products;

- ii. Shall govern all orders of Products and the Products specifically manufactured for the Purchaser, in accordance with this agreement and;
- iii. This agreement shall be modified, unless otherwise provided for herein, only in virtue of an agreement in writing executed by the authorized representatives of each party.

11. REGISTRERED TRADEMARKS

The SEFAR registered trademark are: SEFAR, SEFAR Carbotex, SEFAR fluortex, SEFAR medifab, SEFAR Nitex, SEFAR Nytal, SEFAR Pecap, SEFAR Petex, SEFAR polytherm, SEFAR Propyl tex, SEFAR Shrink tex, SEFAR Tetex, SEFAR Tubetek, Lab Pak, Pecap Gold, Pecap LE, Pro-M-Coat, Proscreen, SE FAR Architecture, Tenara fabric, SEFAR Lightframe.

Made at Saguenay, this day of ____2021

SEFAR INC

THE PURCHASER

Per: _____
