

# STANDARD TERMS AND CONDITIONS OF SALE



## DEFINITIONS

ROCKLAND SCIENTIFIC INTERNATIONAL INC. ("Vendor") is a company registered under the laws of the Province of British Columbia, Canada. The "Purchaser" is the legal entity purchasing Goods from the Vendor. "Goods" means any Products or Instrumentation offered or delivered by the Vendor and/or purchased by Purchaser. "Services" means any work offered or performed by the Vendor for the Purchaser. "Quote" means any written offer or proposal to sell the Goods or Services provided by Vendor to Purchaser. "Order" means any purchase order or similar instrument issued by Purchaser to Vendor to purchase Goods or Services. Vendor and Purchaser are sometimes referred to herein individually as a "Party" and collectively as the "Parties".

## PURCHASE PRICE AND METHOD OF PAYMENT

- 1.1 Unless stated otherwise in writing by the Vendor, all prices are in United States dollars, and the prices offered are valid for a period of thirty (30) days from the date of Vendor's Offer, unless otherwise stated. All prices for domestic deliveries are F.O.B. Vendor's place of shipment, as defined in the Uniform Commercial Code (UCC), and all prices for international deliveries are Ex-Works, as defined by INCOTERMS 2000.
- 1.2 The Purchase Price shall be paid in one of the following ways, as indicated on the quotation.
  - 1.2.1 Due in full before shipment: the total Purchase Price shall be paid prior to delivery by electronic funds transfer, free of bank charges by the issuing bank, directly to the Vendor's bank account. Details to be advised by the Vendor to the Purchaser prior to shipment.
  - 1.2.2 Confirmed, irrevocable Letter of Credit: LC to be drawn on a major Canadian bank at sight. All terms to be acceptable to the Vendor (including such terms as partial shipments and transshipments, full or partial payments, expiry date etc.).
  - 1.2.3 Deposit upon contract acceptance and balance after delivery or testing: A non-refundable deposit of 25% of the total Purchase Price payable immediately upon acceptance of the quotation by the Purchaser; and the balance of the Purchase Price shall be paid on the earlier of: (a) the testing and acceptance, if any, of the Goods in accordance with Article 2, or (b) on the day of the delivery of the Goods to the Purchaser EXWORKS Victoria, British Columbia, Canada.
  - 1.2.4 Net 30-days: Payment is due net thirty (30) days from the date of the Vendor's invoice, subject to prior credit approval of the Purchaser by the Vendor. Payment shall be made by electronic funds transfer, free of wire charges and other bank fees, to the Vendor's bank account as indicated on the Invoice.
  - 1.2.5 Interest / late payment fee: Interest will be charged at a rate of 1.5% per month or 18% per annum on any outstanding principal amounts after 30 days.

## DELIVERY AND RECEIPT OF THE GOODS

- 2.1 Testing of the Goods, if any, shall occur in the Province of British Columbia, Canada. Written confirmation from the Purchaser to Vendor that the Goods meet the specifications as outlined in the Quote shall be provided by the Purchaser to the Vendor and the Vendor will acknowledge such written confirmation by the mutual execution of an Acceptance Test Form.
- 2.2 The Goods shall be delivered to the delivery address, which is specified by the Purchaser no less than 2 weeks before the delivery date.

## WARRANTY AND LIABILITY

- 3.1 The Vendor warrants the Goods delivered to be free from defects in material and workmanship, for a period of twelve (12) months from the date of delivery (the "Warranty Period"). During the Warranty Period the Vendor will repair any material defects not due to damages resulting from improper use or operator error. The Purchaser will return the defective Goods freight pre-paid to the Vendor's factory for the repair work.
- 3.2 Goods not manufactured by the Vendor but supplied as part of any order is limited to the warranty provided by the original equipment manufacturer.
- 3.3 Except for any warranties expressly provided in this agreement, all other warranties expressed or implied are disclaimed, including the implied warranty of fitness for a particular purpose.
- 3.4 The Vendor is not liable for indirect, incidental, consequential, or special damages, even if advised of the possibility of such damages.
- 3.5 The Vendor's entire liability and customer's sole remedy for defective Goods and services is limited to the repair, replacement or re-performance, as the case may be, of the Goods. The Vendor's maximum liability for damages related to purchases will not exceed the Purchase Price.

## TECHNICAL SUPPORT

- 4.1 Vendor understands the particular circumstances and requirements of sea-going experiments. Therefore, Vendor will make technical support service available outside of regular business hours, if the Purchaser advises Vendor at least two weeks prior to the scheduled experiment.

- 4.2 Technical support services are quoted as daily rates according to the Vendor's current price list, and is chargeable in increments of 0.25 days based on 8-hour work days.

## PROTECTION OF INFORMATION

- 5.1 "Confidential Information" shall mean information or material proprietary to the Vendor or designated as Confidential Information by the Vendor and not generally known by non-company personnel, of which the Purchaser may have knowledge or access to, or as a result of their purchase. The Confidential Information includes, but is not limited to, inventions, concepts, hardware in various stages of development, designs, drawings, specifications, processes, procedures, models, data, "know-how", marketing techniques and materials, marketing and development plans, price lists, pricing policies, financial information, customer names and customer information. Confidential Information also includes any information described above which the Purchaser obtains from another party and which is treated as proprietary or is designated as Confidential Information by the Vendor.
- 5.2 Each party will:
  - (a) Keep the other's Confidential Information confidential;
  - (b) Not disclose any of the other's Confidential Information to any third party, except as may be necessary for the performance of this Contract or except where permitted by the provisions of this Contract and not use the other's Confidential Information except to perform its obligations or to exercise its rights under this Contract;

## ARTICLE 6 - APPLICABLE LAW

- 6.1 Any Purchase Agreement in connection with this Quote shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the province of British Columbia, Canada, and each of the parties hereby irrevocably attorns to the jurisdiction of the courts of the province of British Columbia, Canada.

## ARTICLE 7 - DISPUTE RESOLUTION

- 7.1 If a dispute between the parties concerning the interpretation, application or enforcement of any portion of these Terms & Conditions is not resolved by mediation within 90 days after one party notifies the other in writing of an intention to mediate the dispute, the parties will submit the matter to binding arbitration, pursuant to the provisions of the Commercial Arbitration Act of British Columbia, and the parties hereby irrevocably authorize any arbitrator who may be appointed to endeavour to mediate the resolution of the dispute before rendering a binding award.

## ARTICLE 8 - SEVERABILITY

- 8.1 If any provision of these Terms & Conditions is for any reason declared invalid, such declaration shall not affect the validity of the remaining provisions.

## ARTICLE 9 - WAIVER

- 9.1 No consent or waiver, expressed or implied, by any party hereto or any breach or default by the other party in its performance of its obligations hereunder or of any of the terms, covenants or conditions of the Purchase Agreement in connection with this Quote shall be deemed or construed to be a consent or waiver of any subsequent or continuing breach or default in such party's performance or in the terms, covenants and conditions of the Purchase Agreement. The failure of any party hereto to assert any claim in a timely fashion for any of its rights or remedies under the Purchase Agreement shall not be construed as a waiver of any such claim and shall not serve to modify, alter or restrict any such party's right to assert such claim at any time thereafter.

## ARTICLE 10 - GENERAL PROVISIONS

- 10.1 All email communications between the Vendor and the Purchaser or its employees are transactional or relationship messages and do not change or alter the Terms & Conditions of the Purchase Agreement in connection with this Quote, unless expressly agreed to in writing by both parties.