

1. Applicability.

- (a) These terms and conditions (these "Terms") are the only terms which govern the receipt by IMPACT Pump Solutions Inc. ("IMPACT") of any Customer-owned equipment previously purchased from IMPACT ("Equipment") and any repair, refurbish or re-rating services provided by IMPACT to the customer ("Customer") in respect of such Equipment ("Services"). Notwithstanding anything herein to the contrary, if a written contract signed by both IMPACT and Customer is in existence covering the provision of the Services covered hereby, the terms and conditions of said contract shall prevail to the extent they are inconsistent with these Terms.
- (b) The Service quote issued by IMPACT to Customer in respect of the Services (once accepted by Customer, the "Accepted Service Quote") and these Terms (collectively with the Accepted Service Quote, this "Agreement") comprise the entire agreement between IMPACT and Customer with respect to the receipt by IMPACT of any Equipment and any Services provided in respect thereof, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Customer's general terms and conditions regardless of whether or when Customer has submitted such terms to IMPACT. Fulfilment of the Accepted Service Quote does not constitute acceptance of any of Customer's terms and conditions and does not serve to modify or amend these Terms. These Terms may only be amended or modified in a writing which specifically states that it amends these Terms and is signed by an authorized representative of each party.

2. Services.

- (a) IMPACT shall provide the Services to the Customer as described in the Accepted Service Quote and in accordance with these Terms.
- (b) Following receipt of the Equipment at IMPACT's facility (regardless of method of delivery or who bears the cost of transportation), IMPACT shall disassemble, clean, and inspect the Equipment using its standard procedures. To the extent such Equipment or any part thereof can be repaired and/or re-used, IMPACT shall issue a service quote ("Service Quote") to Customer setting forth (i) the availability and price of any Services that can be provided by IMPACT, and (ii) if the Equipment is eligible, an option for Customer to receive a fixed credit amount toward the purchase of new equipment from IMPACT in lieu of proceeding with the Services, with the availability and value of such credit expressly stated in the Service Quote. Title to any parts of the Equipment that IMPACT reasonably determines, in its sole discretion, are not capable of repair or no longer usable shall automatically pass to IMPACT, and IMPACT shall dispose of such nonrepairable or non-usable Equipment using its standard disposal procedures. Customer shall have a period of ninety (90) days from issuance of the Service Quote to provide acceptance. If Customer has not accepted the Service Quote within such period, IMPACT may issue a written reminder notice. If Customer does not respond to the Service Quote within one hundred eighty (180) days of its issuance, title to all repairable and reusable Equipment shall automatically pass to IMPACT, and IMPACT may use or dispose of such Equipment in its sole discretion.



- (c) IMPACT shall perform the Services in accordance with this Agreement within a reasonable time after Customer's acceptance of the Service Quote. IMPACT shall deliver the repaired, refurbished and/or re-rated Equipment (the "Repaired Equipment") to Customer's location as set forth on the initial purchase order for the Equipment as confirmed in the sales order confirmation issued by IMPACT in respect thereof (the "Delivery Point"), using IMPACT's standard methods for packaging and shipping such Repaired Equipment. IMPACT shall not be liable for any delays, loss or damage in transit. Delivery of the Repaired Equipment shall be made Free Carrier (FCA) (INCOTERMS 2020) either Origin or Destination as more particularly set forth on the Service Quote.
- (d) Customer shall take delivery of the Repaired Equipment upon delivery of the Repaired Equipment to the Delivery Point. If for any reason Customer fails to accept delivery of the Repaired Equipment, or if IMPACT is unable to deliver the Repaired Equipment at the Delivery Point at such time because Customer has not provided appropriate instructions, documents, licenses or authorizations: (i) risk of loss to the Repaired Equipment shall pass to Customer; (ii) the Repaired Equipment shall be deemed to have been delivered; and (iii) IMPACT, at its option, may store the Equipment until Customer picks them up, whereupon Customer shall be liable for all related costs and expenses (including, without limitation, storage and insurance)
- 3. Price. In consideration of the provision of the Services by IMPACT, Customer shall pay the fees (the "Price") set forth on the Service Quote. All Prices are exclusive of all federal, state, provincial, territorial, municipal, local or foreign sales tax, goods and services tax, value added tax, use and excise tax, stamp tax, and any other similar taxes, duties and charges of any kind on any amounts payable by Customer. Customer shall be responsible for all such charges, costs and taxes; provided that, Customer shall not be responsible for any taxes imposed on, or with respect to, IMPACT's income, revenues, gross receipts, personnel or real or personal property or other assets.

4. Payment Terms.

- (a) Customer shall pay all invoiced amounts due to IMPACT within thirty (30) days from the date of IMPACT's invoice. Customer shall make all payments hereunder by wire transfer or cheque and in United States dollars.
- (b) Customer shall pay interest on all late payments at the lesser of the rate of ten percent (10%) per annum or the highest rate permissible under applicable law, calculated daily and compounded monthly. Customer shall reimburse IMPACT for all costs incurred in collecting any late payments, including, without limitation, reasonable legal fees. In addition to all other remedies available under these Terms or at law (which IMPACT does not waive by the exercise of any rights hereunder), IMPACT shall be entitled to suspend the provision of any Services if Customer fails to pay any amounts when due hereunder and such failure continues for three (15) days following written notice thereof.
- (c) Customer shall not withhold payment of any amounts due and payable by reason of any set-off of any claim or dispute with IMPACT, whether relating to IMPACT's breach, bankruptcy or otherwise.



5. <u>Limited Warranty</u>.

- (a) IMPACT warrants to Customer that for a period of one (1) year from the date of shipment of the Repaired Equipment ("Warranty Period"), that such Repaired Equipment (but excluding any original components not so repaired or re-rated) will be free from material defects in material and workmanship and will conform to the capacity and ratings specifications set forth in the Service Quote.
- (b) EXCEPT FOR THE WARRANTY SET FORTH IN SECTION 5(a), IMPACT MAKES NO CONDITION OR WARRANTY WHATSOEVER WITH RESPECT TO THE SERVICES OR THE REPAIRED EQUIPMENT, INCLUDING ANY (a) CONDITION OR WARRANTY OF MERCHANTABILITY; (b) CONDITION OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) CONDITION OR WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE. WITHOUT LIMITING THE APPLICABILITY OF THE FOREGOING, NO WARRANTY IS MADE AGAINST CORROSION OR EROSION.
- (c) Products manufactured by a third party ("Third Party Product") may constitute, contain, be contained in, incorporated into, attached to or packaged together with, the Repaired Equipment. Third Party Products are not covered by the warranty in Section 5(a). For the avoidance of doubt, IMPACT MAKES NO REPRESENTATIONS, CONDITIONS OR WARRANTIES WITH RESPECT TO ANY THIRD-PARTY PRODUCT, INCLUDING ANY (a) CONDITION OR WARRANTY OF MERCHANTABILITY; (b) CONDITION OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; (c) WARRANTY OF TITLE; OR (d) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.
- (d) IMPACT shall not be liable for a breach of the warranty set forth in Section 5(a) unless: (i) Customer gives written notice of the defect, reasonably described, to IMPACT within five (5) days of the time when Customer discovers or ought to have discovered the defect; (ii) IMPACT is given a reasonable opportunity after receiving the notice to examine such Repaired Equipment and Customer (if requested to do so by IMPACT) returns such Repaired Equipment to IMPACT's place of business at IMPACT's cost for the examination to take place there; and (iii) IMPACT reasonably verifies Customer's claim that the warranty set forth in Section 5(a) has been breached. IMPACT's accepted method of testing shall determine the existence of any such breach.
- (e) IMPACT shall not be liable for a breach of the warranty set forth in Section 5(a) if: (i) Customer makes any further use of such Repaired Goods after giving such notice; (ii) the defect arises because Customer failed to follow IMPACT's instructions as to the storage, installation, commissioning, use or maintenance of the Repaired Goods; or (iii) Customer alters or repairs such Repaired Goods without the prior written consent of IMPACT or normal wear parts.
- (f) Subject to Section 5(d) and 5(e) above, with respect to any such Services during the Warranty Period, IMPACT shall, in its sole discretion, either: (i) repair or replace such Repaired



Goods (or the defective part) or (ii) credit or refund the price of the Services, provided that, if IMPACT so requests, Customer shall, at IMPACT's expense, return such Repaired Goods to IMPACT.

- (g) THE REMEDIES SET FORTH IN SECTION 5(f) SHALL BE THE BUYER'S SOLE AND EXCLUSIVE REMEDY AND IMPACT'S ENTIRE LIABILITY FOR ANY BREACH OF THE LIMITED WARRANTY SET FORTH IN SECTION 5(a).
- 6. Limitation of Liability.
 - (a) IN NO EVENT SHALL IMPACT BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THESE TERMS, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE BY BUYER OR COULD HAVE BEEN REASONABLY FORESEEN BY IMPACT, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.
 - (b) IN NO EVENT SHALL IMPACT'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO IMPACT FOR THE SERVICES PROVIDED HEREUNDER.
 - (c) The limitation of liability set forth in Section 6(b) shall not apply to (i) liability resulting from IMPACT's gross negligence or wilful misconduct and (ii) death or bodily injury resulting from IMPACT's acts or omissions.
- 7. <u>Termination</u>. In addition to any remedies that may be provided under these Terms, IMPACT may terminate this Agreement with immediate effect upon written notice to Customer, if Customer: (i) fails to pay any amount when due under this Agreement and such failure continues for three (3) days after Customer's receipt of written notice of non-payment; (ii) has not otherwise performed or complied with any of these Terms, in whole or in part; or (iii) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.
- 8. <u>Waiver</u>. No waiver by IMPACT of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by IMPACT. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.
- Confidential Information. All non-public, confidential or proprietary information of IMPACT, including but not limited to specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by IMPACT to Customer, whether disclosed orally or disclosed or accessed in written, electronic or other form



or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by IMPACT in writing. IMPACT shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to Customer at the time of disclosure; or (c) rightfully obtained by Customer on a non-confidential basis from a third party.

- 10. Force Majeure. No party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations of Customer to make payments to IMPACT hereunder), when and to the extent such failure or delay is caused by or results from acts beyond the impacted party's ("Impacted Party") reasonable control, including, without limitation, the following force majeure events ("Force Majeure Event(s)"): (a) acts of God; (b) flood, tsunami, fire, earthquake, explosion; (c) epidemics, pandemics; (d) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest; (e) government order, law or actions; (f) embargoes or blockades in effect on or after the date of this Agreement; (g) national or regional emergency; (h) strikes, lockouts, labour stoppages or slowdowns, labour disputes, or other industrial disturbances or (i) other similar events beyond the reasonable control of the Impacted Party. The Impacted Party shall give notice within ten (10) days of the Force Majeure Event to the other party, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause. In the event that the Impacted Party's failure or delay remains uncured for a period of sixty (60) consecutive days following written notice given by it under this Section 10, the other party may thereafter terminate this Agreement upon five (5) days' written notice.
- 11. <u>Assignment</u>. Customer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of IMPACT. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Customer of any of its obligations under this Agreement.
- 12. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.
- 13. <u>No Third-Party Beneficiaries</u>. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.
- 14. <u>Governing Law</u>. All matters arising out of or relating to this Agreement are governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada



applicable therein without giving effect to any choice or conflict of law provision or rule (whether of the Province of Alberta or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the Province of Alberta.

- 15. Choice of Forum. Any legal suit, action, litigation or proceeding of any kind whatsoever in any way arising out of, from or relating to this Agreement, including all exhibits, schedules, attachments, and appendices attached to this Agreement, and all contemplated transactions, shall be instituted in the courts of the Province of Alberta, and each party irrevocably submits to the non-exclusive jurisdiction of such courts in any such suit, action, litigation or proceeding. Service of process, summons, notice, or other document by mail to such party's address set forth herein shall be effective service of process for any suit, action, litigation or other proceeding brought in any such court. Each party agrees that a final judgment in any such suit, action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The parties irrevocably and unconditionally waive any objection to the venue of any action or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.
- 16. Notices. Each Party shall deliver all notices, requests, consents, claims, demands, waivers and other communications under this Agreement (other than routine communications having no legal effect) (each, a "Notice") in writing and addressed to the parties at the addresses set forth on the Purchase Order as confirmed in the Sales Order Confirmation (or to such other address that may be designated by the receiving party from time to time in accordance with this Section). Notices sent in accordance with this Section will be conclusively deemed validly and effectively given: (a) on the date of receipt, if delivered by personal delivery, or by a nationally recognized same day or overnight courier (with all fees prepaid); (b) when sent, if sent by e-mail, on the date of transmission if sent prior to 5:00pm (recipient's local time) on a business day or if not a business day or after 5:00 p.m., on the next following business day; or (c) on the fifth day after the date mailed by certified or registered mail by the Canada Post Corporation, return receipt requested, postage prepaid.
- 17. <u>Severability</u>. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.
- 18. <u>Survival</u>. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Order including, but not limited to, the following provisions: Section 9 (Confidential Information), Section 14 (Governing Law), Section 15 (Choice of Forum) and this Section 18 (Survival).