

## STANDARD TERMS AND CONDITIONS OF SALE – PythonX

The following terms and conditions shall apply to all sales of equipment by “Burlington Automation Corporation” including the PythonX Structural Fabrication System. No exceptions will be made unless approved in writing by Burlington Automation Corporation. The terms and conditions contained herein shall form part of any and all quotations, proposals, bids, sales or equipment specifications (which individually and/or collectively are hereinafter referred to as the “Quotation(s)”) prepared by Burlington Automation Corporation or on Burlington Automation Corporation’s behalf by a duly authorized representative or agent. Quotations are prepared using the information available at the time of preparation of the Quotation. Should Burlington Automation Corporation be advised of additional information which causes a change in equipment concept, specification, design, cost or schedule, which Burlington Automation Corporation at its sole discretion deems to be significant, Burlington Automation Corporation reserves the right to withdraw or amend any Quotation.

### 1. ORDER ACCEPTANCE

- 1.1 Orders presented to Burlington Automation Corporation whether or not based on or resulting from a Quotation (including a verbal quotation) are not binding upon Burlington Automation Corporation until approved and accepted by Burlington Automation Corporation and any and all Orders so approved and accepted are subject to these terms and conditions which become and form part of the Order. If the Buyer proposes or requests terms and/or conditions different than those set out herein, Burlington Automation Corporation may accept the proposed terms and conditions at its option by written notice to the Buyer without diminishing the force or effect of the balance of the terms and conditions set out herein.
- 1.2 The term “Order” as used hereinafter refers to a purchase order which has been approved and accepted by Burlington Automation Corporation. There are no understandings or agreements between the Buyer and Burlington Automation Corporation outside of, or in addition to, the Order. All previous communications between the parties hereto, whether written or verbal, with reference to the subject matter of the Order are thereby superseded. Burlington Automation Corporation will not begin work on any equipment which is the subject of an Order until receipt and acceptance of the Buyer’s original order and deposit.

### 2. PRICES

The prices specified on any Quotation are firm and binding for a period of sixty (60) days unless otherwise stated in the Quotation. Thereafter, such prices are subject to change, without notice. Taxes and duties are extra as applicable.

### 3. TERMS OF PAYMENT

As outlined in quotation.

The payment terms apply to Buyers with approved credit, unless otherwise specified in the applicable Order. All overdue accounts will incur a service charge at the rate of 1.0% per month which will be computed daily from the applicable payment due date.

### 4. CURRENCY OF PAYMENT

All amounts due are to be paid in the currency indicated in the Order. If payment is made in any other currency Burlington Automation Corporation retains the right to refuse such payment unless the Buyer has obtained from Burlington Automation Corporation prior written approval for the rate of exchange to be applied.

### 5. LIMIT OF LIABILITY

The Buyer and/or user of the equipment agree(s) to indemnify and hold harmless Burlington Automation Corporation from any and all actions, whether for direct, indirect or consequential losses or damages of any sort, arising from the installation and/or operation of the equipment in the Buyer’s or user’s facility or in the facility of any other party in which the Buyer and/or user have caused or directed the equipment to be installed and/or operated.

### 6. CANCELLATION OR POSTPONEMENT OF ORDER

- 6.1 In the event of a request from the Buyer to cancel or postpone an Order accepted by Burlington Automation Corporation, whether such Order was written or verbal, the following amounts will become immediately due and payable to Burlington Automation Corporation and Burlington Automation Corporation will invoice the Buyer accordingly:
- a) all work in progress, (including engineering) billed at Burlington Automation Corporation’s currently applicable charge-out rates; and
  - b) all materials ordered by Burlington Automation Corporation for the subject Order at Burlington Automation Corporation’s full cost plus 20%.
- 6.2 In the case of Order cancellation, the Buyer will accept delivery of all materials completed and/or ordered by Burlington Automation Corporation, or will advise Burlington Automation Corporation as to the disposition of such materials within thirty (30) days of the date of Order cancellation. If the Buyer requests that Burlington Automation Corporation postpone an Order in progress, and such postponement is for a period exceeding thirty (30) days, Burlington Automation Corporation may at its discretion consider the Order to have been cancelled.

### 7. ENFORCEMENT

If Burlington Automation Corporation elects not to enforce any and/or all of the terms and conditions herein, under any circumstances and at any time, it will not render any of the terms and conditions void nor diminish Burlington Automation Corporation’s right to enforce any and/or all of the terms and conditions at a later time at its sole discretion.

### 8. OWNERSHIP OF INFORMATION

The information contained in any Quotation is, and remains, the exclusive property of Burlington Automation Corporation including all copyrights, designs, patents, patents pending, trade names and/or trademark rights therein. The person, persons or corporation receiving this information

agree(s), by accepting it, that they or it shall treat the information as confidential and will not disclose, transmit or communicate the same to others by any means whatever without receiving the prior written approval of Burlington Automation Corporation.

## **9. PURCHASED COMPONENTS**

Burlington Automation Corporation has a standard purchased component list. If the Buyer requests specific brand name components which differ from Burlington Automation Corporation's standard component list, any resultant cost differential will be quoted separately. The Buyer must inform Burlington Automation Corporation in writing, prior to order acceptance by Burlington Automation Corporation, of any brand name component requirements.

## **10. MODIFICATION OF ORDER**

No modification of any Order shall be binding unless made in writing and signed by both parties.

## **11. TITLE AND DELIVERY**

- 11.1 All equipment is supplied F.O.B. Burlington Automation Corporation's designated facility. Delivery shall be considered constituted upon Burlington Automation Corporation's supply of the equipment to a carrier for shipment to the address stipulated on the Order and any payment(s) contingent upon delivery then become due and payable as provided herein. The Buyer shall accept liability for all loss or damage to the equipment subsequent to Burlington Automation Corporation's delivery of same to a carrier for shipment whether such carrier has been designated by the Buyer or selected by Burlington Automation Corporation. The Buyer shall bear all transportation costs (including insurance) and any liability arising out of the transportation of the equipment.
- 11.2 The Buyer acknowledges that the equipment quoted for supply by Burlington Automation Corporation may be manufactured by Burlington Automation Corporation or supplied by a third party and that promised delivery times will be set from the date that a signed and approved layout is received by Burlington Automation from the Buyer. Delivery dates are based on the assumption that there will be no delays due to causes beyond the reasonable control of Burlington Automation Corporation. Burlington Automation Corporation shall not be charged with any liability for delay or non-delivery when due to delays of suppliers, acts of God or force majeure, compliance in good faith with any applicable foreign or domestic governmental regulation or order whether or not it proves to be material or valid, fires, riots, labour disputes, unusually severe weather or any other cause beyond the reasonable control of Burlington Automation Corporation. To the extent that such causes actually delay deliveries on the part of Burlington Automation Corporation the time for performance shall be extended by a period of time approximating the period of such delay and mutually agreed to by the Buyer and Burlington Automation Corporation.
- 11.3 The preceding notwithstanding, the Buyer agrees that since some elements of performance are subject to conditions which Burlington Automation Corporation cannot control or predict accurately, all performance dates are approximate only and not of the essence and that Burlington Automation Corporation shall not be liable for any loss or expense (direct, consequential, incidental or otherwise) incurred by the Buyer, the Buyer's customer(s) or any other parties as a result of any failure by Burlington Automation Corporation to meet the specified delivery schedule.
- 11.4 Title to all equipment shall remain with Burlington Automation Corporation until Burlington Automation Corporation has received payment in full for all amounts due and the Buyer agrees to permit Burlington Automation Corporation, at Burlington Automation Corporation's option, to file security interest in the equipment until payment in full is received by Burlington Automation Corporation. The Buyer also recognizes, and hereby expressly grants, the right of Burlington Automation Corporation or Burlington Automation Corporation's duly appointed agents to enter upon the Buyer's lands and/or premises, with or without legal process, to inspect or seize and remove any equipment for which Burlington Automation Corporation has not received payment in full in accordance with the applicable Order.
- 11.5 If the Buyer fails to take delivery of the equipment within 14 days of the original date stated for delivery then, the full amounts of all invoices will become immediately due and without limiting any other right or remedy available to Burlington Automation Corporation, Burlington Automation Corporation may store the equipment until actual delivery and charge the Buyer for the storage costs. Storage costs which include insurance, handling, lost productivity and other associated costs will be charged at 0.5% of the full purchase price of the equipment per month and shall be paid by the Buyer prior to shipment of the equipment.
- ## **12. WARRANTY AND SERVICE**
- 12.1 Any equipment, or part thereof, installed and operating under normal conditions in the facility of the original Buyer, which proves defective in material or workmanship (as determined by an inspection by Burlington Automation Corporation personnel or a duly authorized agent of Burlington Automation Corporation) within 36 months or 6,000 hours of operation from date of shipment (whichever occurs first) will be replaced or repaired at Burlington Automation Corporation's option, free of charge to the Buyer provided that the Buyer promptly advises Burlington Automation Corporation of the defect and demonstrates to Burlington Automation Corporation's satisfaction that the equipment has been properly installed, operated and maintained in accordance with any instructions which may have been furnished by Burlington Automation Corporation. All commercial parts incorporated into the equipment will assume the original supplier's warranty.
- 12.2 Parts replaced under the provisions of this warranty are warranted, subject to the limitations of this warranty, to be free from defects in material or workmanship for 90 days from the date of shipment by Burlington Automation Corporation or until the expiry of the warranty on the applicable machine, whichever is the later.
- 12.3 Burlington Automation Corporation's liability under the provisions of this warranty is limited to the cost of repairing or replacing the defective equipment or part thereof including the labour of one authorized Burlington Automation Corporation service person at the Buyer's facility if necessary. If the Burlington Automation Corporation service person requires assistance, the Buyer agrees to make personnel available to provide such assistance.
- 12.4 Burlington Automation Corporation's liability for shipping charges on warranty replacements shall be limited to normal parcel post or ground transportation rates. Buyer agrees to pay additional charges for express delivery if requested by the Buyer.
- 12.5 The Buyer agrees to suspend operation of the equipment during warranty repairs by Burlington Automation Corporation and not to restart the equipment until so authorized by Burlington Automation Corporation, which authority shall not be unreasonably withheld.

- 12.6 The foregoing warranty is exclusive and in lieu of all other warranties whether written, verbal or implied. Burlington Automation Corporation shall in no event be held liable for consequential damage caused by defective material, workmanship or unsatisfactory performance. Under no circumstances shall this warranty be deemed to cover normal maintenance procedures or the repair or replacement of wear parts. The Buyer agrees that if additions, modifications or repairs are made to the equipment by any party or parties other than Burlington Automation Corporation, or if replacement parts are used which have not been supplied or approved by Burlington Automation Corporation, provisions of this warranty may be voided at the sole discretion of Burlington Automation Corporation.
- 12.7 Buyer is responsible at Burlington Automation Corporation's then applicable rates for out-of-pocket expenses of Burlington Automation Corporation including travel time, accommodation, meals and other costs to attend at the Buyer's facility in order to service the machine even if such service is essential for the equipment to operate as specified/quoted.
- 12.8 Burlington Automation Corporation is under no obligation to provide service of any type under the provisions of this warranty if the Buyer's account with Burlington Automation Corporation is not current and paid up to date.
- 12.9 Charges from the Buyer, or any other party acting on behalf of the Buyer, to Burlington Automation Corporation for work performed on or to equipment supplied by Burlington Automation Corporation to the Buyer will not be accepted without the prior written approval of Burlington Automation Corporation.

### **13. SPECIFICATIONS**

Where supplied by Burlington Automation Corporation, production data is based upon Burlington Automation Corporation's analysis and consideration of the known circumstances and conditions. However, since many conditions and circumstances which affect production capabilities are beyond the control of Burlington Automation Corporation, such data is provided as an estimate only and is not guaranteed or warranted.

### **14. BUYER'S RESPONSIBILITY**

In addition to any responsibilities outlined elsewhere in these Terms and Conditions and/or any Quotation or Order, the Buyer shall be responsible for the following and any costs incurred by Burlington Automation Corporation due to the Buyer's failure to perform in regard to any such item shall be reimbursed in full to Burlington Automation Corporation by the Buyer:

- 14.1 Utility requirements as applicable including:
- Clean (noise & spike free) electrical power delivered to the control panel.
  - Clean and dry compressed air at 120-psi minimum and 100 cfm delivered to the equipment as required per the equipment specifications.  
NOTE: Burlington Automation Corporation will not be held liable for damage or premature wear caused by poor air quality.
  - Requesting compliance with any local or industry-specific electrical codes that affect the equipment and the Buyer must provide the codes requested.
  - Providing complete information on a timely basis as requested by Burlington Automation Corporation.
- 14.2 Inspection of equipment upon arrival at the Buyer's facility. If damage is found, the Buyer must immediately notify the shipping company and Burlington Automation Corporation.
- 14.3 Moving of the equipment to the installation site, all installation, line-up and connection of the equipment unless otherwise specified in the applicable Order. The Buyer must call the Burlington Automation Corporation Installation & Start-up Department to schedule initial start-up if required.
- 14.4 Tolerance consistency of production parts. To ensure proper equipment operation, parts supplied for processing must be within tolerance specifications, clean, dry, free of oil, burrs, rust or contaminants unless specifications for performance as detailed in the applicable Order state otherwise.
- 14.5 Safety fencing or other perimeter guarding in compliance with OSHA and local safety standards sufficient to pass any pre-start and safety inspections and to prevent unauthorized access to the equipment during and after installation. (See item 16)
- 14.6 Adequate foundation(s) including leveling plates, anchor bolts or other hold-down devices as required.
- 14.7 Internet Connection.
- 14.8 Insurance coverage on the equipment for physical damage or loss of any type, in the amount of the purchase price of the equipment, with loss payable to Burlington Automation Corporation as its interests may appear, while the equipment is in the Buyer's possession and/or control prior to receipt of payment in full by Burlington Automation Corporation and to produce evidence of such insurance if requested to do so by Burlington Automation Corporation. If the Buyer fails to insure the equipment Burlington Automation Corporation may obtain, and the Buyer shall reimburse Burlington Automation Corporation for, such insurance. Failure by Burlington Automation Corporation to request proof of such insurance shall in no way diminish the Buyer's obligation to obtain the same.

### **15. MATERIALS FURNISHED BY BUYER**

- 15.1 The supply of all tooling is the responsibility of the Buyer.
- 15.2 Burlington Automation Corporation may from time to time require a quantity of production parts delivered to Burlington Automation Corporation's designated facility in order to facilitate equipment design and/or to run production tests. It is essential that sample production parts are representative of those to be run in actual production. Any deviation from sample parts and/or drawing tolerances used in the preparation of Quotations will result in additional costs to the Buyer in the event that additional engineering, materials, manufacturing or software programming is necessary.
- 15.3 Materials such as tools, dies, sample production parts or other items furnished to Burlington Automation Corporation by the Buyer shall be at the Buyer's risk and expense including all costs for shipment of same to Burlington Automation Corporation's designated facility and their return to the Buyer (if required). All such materials furnished by the Buyer for use by Burlington Automation Corporation must be in good operating condition unless their repair and/or modification by Burlington Automation Corporation are specified in the applicable Order.

## **16. SAFETY**

- 16.1 Burlington Automation Corporation assumes no responsibility for damages, injury or accident caused by improper or other than normal use of any equipment.
- 16.2 Burlington Automation Corporation provides basic safety devices normal to such equipment. Additional safety devices may be required to comply with certain local or specific standards or regulations, and because of Buyer's superior and specific knowledge of its plant and operating conditions, and or its safety committee, it is Buyer's Sole responsibility to identify and furnish any additional safety devices particular to Buyer's intended and specific usage. Burlington Automation Corporation will, at Buyer's request, make recommendations for additional safety devices, and will offer to furnish Buyer with a proposal for the supply and installation of these devices. If Buyer elects not to purchase the safety devices proposed or does not request a recommendation for such devices, Buyer will hold harmless, indemnify and defend Burlington Automation Corporation against any and all claims, suits, losses, costs and expenses arising out of injury, death, or damage to person or property, caused, or allegedly caused, directly or indirectly by the absence of a safety device on the machinery or equipment described herein.
- 16.3 Buyer will hold harmless, indemnify and defend Burlington Automation Corporation against any and all claims, suits, losses, costs and expenses arising out of injury, death, or damage to person or property, caused, or allegedly caused, directly or indirectly by operation of machinery or equipment without all safety devices, guards and proper safe operating procedures as set forth in manuals and instruction sheets furnished by Burlington Automation Corporation or with persons other than qualified operating personnel closer than ten feet of the machinery or equipment.

In all cases it is the responsibility of the Buyer to provide perimeter guarding and to control access to the equipment and the Buyer will hold harmless, indemnify and defend Burlington Automation Corporation from any and all actions of any kind, together with resultant costs and expenses, which result from the Buyer's failure to perform in this regard.

Buyer will notify Burlington Automation Corporation promptly, and in any event within 24 hours of any accident or malfunction involving Burlington Automation Corporation's products which result in personal injury, death or damage to property, will immediately disable and prevent the equipment from being operated until certified safe to do so by authorized Burlington Automation Corporation personnel and will cooperate fully with Burlington Automation Corporation in investigating and determining the cause of such accident or malfunction, and hold harmless, indemnify and defend Burlington Automation Corporation from any claims arising from such accident or malfunction as to which such notice is not given.

## **17. MANUALS & EQUIPMENT OPERATION**

Burlington Automation Corporation will supply one (1) only copy of an equipment manual, unless the applicable Order specifies a different quantity. Additional copies can be provided at additional cost to the Buyer. The Buyer acknowledges that operation of the equipment prior to receipt of the manual is at the Buyer's risk. The Buyer further acknowledges that the Buyer's acceptance of the manual indicates the Buyer's agreement that the manual provides sufficient information for, and the Buyer accepts sole responsibility for, safe operation and maintenance of the equipment.

## **18. INTELLECTUAL PROPERTY, DESIGN RIGHTS**

The Buyer is purchasing equipment. All intellectual property which is associated with the development and manufacture of the equipment including, but not limited to, all engineering drawings, engineering calculations, engineering concepts, and design ideas remain the property of Burlington Automation Corporation. If an agreement to provide engineering drawings to the Buyer forms part of the applicable Order, Burlington Automation Corporation will provide one (1) only copy of the applicable drawings at the time of equipment delivery. All designs remain the property of Burlington Automation Corporation. Any and all patents which may result from the design and/or development of the equipment shall be the property of Burlington Automation Corporation. Burlington Automation Corporation retains the right to manufacture and/or sell duplicates of the equipment to any other party at any time.

## **19. MATERIALS FURNISHED BY BUYER (NO RUNOFF OR TESTING AT BAC for PYTHONX MACHINE)**

- 19.1 Final testing will occur after machine setup and training has commenced at the Buyer's facility. Tests and training will require Buyer supplied materials and tooling consumables other than provided with the machine.
- 19.2 Acceptance of the equipment by the Buyer will be deemed to have occurred if the Buyer is using the equipment to produce any product other than sample products to be used for verification of operating capability, or if the Buyer is able through use of the equipment to sell any product or service.
- 19.3 Any and all changes requested by the Buyer subsequent to the Buyer's acceptance of the equipment will be quoted by Burlington Automation Corporation on an item by item basis. Pricing, terms and the effect of these items on equipment completion and/or shipment will be confirmed by Burlington Automation Corporation. Burlington Automation Corporation will not undertake the design or supply of these items without a duly authorized Order from the Buyer.

**20. INSTALLATION, START-UP AND TRAINING**

- 20.1 Equipment installation (including any foundations or structures supporting or associated with the equipment), erection, start-up, testing, maintenance and operation are the responsibility of the Buyer unless otherwise specified in the applicable Order. Burlington Automation Corporation will provide, at the Buyer's request and at the Buyer's cost, a mechanical systems specialist to advise regarding installation issues.
- 20.2 Start-up or training services to be provided by Burlington Automation Corporation (if any) are detailed in the applicable Order. In the event that additional start-up or training time is required due to delays in interfacing with the Buyer's equipment, lack of utilities or malfunction of Buyer's equipment or any other reason beyond the control of Burlington Automation Corporation and/or beyond the scope of the contracted start-up or training services, any extra time, travel time and charges and/or accommodation charges incurred by Burlington Automation Corporation personnel will be charged to the Buyer at Burlington Automation Corporation's then current rates.
- 20.3 If during installation, start-up or training, Burlington Automation Corporation personnel are required to make return trips due to reasons beyond the control of Burlington Automation Corporation which were not allowed for in the Order, the Buyer will be charged for all out-of-pocket expenses including travel time, accommodation and other costs incurred in connection with such travel at Burlington Automation Corporation's then current rates.

**21. BUYER'S DEFAULT**

- 21.1 The Buyer shall be liable to Burlington Automation Corporation for all damages or losses including loss of reasonable profits, and for costs and expenses, including legal fees and disbursements, sustained by Burlington Automation Corporation and arising from the Buyer's default under, or breach of, any of these terms and conditions or any Order or other contract of which they form part. In event of any such default or breach, Burlington Automation Corporation may, without any obligation or liability to the Buyer, terminate the Order forthwith by written notice to Buyer and such action by Burlington Automation Corporation shall not be deemed to waive or diminish any right or remedy of Burlington Automation Corporation with respect to such default or breach. If Burlington Automation Corporation, in the event of such default or breach, repossesses or retains the equipment, Burlington Automation Corporation's damages shall be no less than the price specified in the contract, plus freight, storage, handling and all other disposal costs, less the current reasonable scrap value of the equipment.
- 21.2 The institution of any proceedings by or against the Buyer, voluntarily or involuntarily, under bankruptcy or insolvency laws or for the appointment of a receiver or trustee or any assignment for the benefit of creditors shall be deemed an event of default under the terms and conditions. Further, it shall be an event of default should the Buyer fail to make any payment required hereunder within thirty days following the date specified for said payment.

**22. CLERICAL ERRORS AND OMISSIONS**

Clerical errors and omissions in Burlington Automation Corporation Quotations or other Burlington Automation Corporation documentation are subject to correction. Errors and omissions noted by the Buyer must be brought to Burlington Automation Corporation's attention as soon as noted or suspected.

**23. GOVERNING LAW**

These Terms and Conditions, as well as any Order, contract or agreement of which they form part, shall be interpreted in accordance with the laws of the province of Ontario, Canada. In the event of any disputes requiring court intervention it shall be dealt with in the Canadian Court System.

**24. ASSIGNMENT OF ORDER BY BUYER**

The Buyer shall not assign any Order without the prior written consent of Burlington Automation Corporation.

**25. ENTIRE CONTRACT**

Acceptance by Burlington Automation Corporation of any Order is expressly made conditional upon Buyer's assent to all Terms and Conditions set forth herein, and this writing shall constitute the entire Terms and Conditions of the contract of sale notwithstanding any different or additional provisions on Buyer's Order, unless otherwise expressly agreed to in writing by Burlington Automation Corporation and should Burlington Automation Corporation agree to any such different or additional provisions, the Terms and Conditions set forth herein shall still apply except in those particular and specific matters where such different or additional provisions are in conflict with these Terms and Conditions.