



TERMS AND CONDITIONS

September 23, 2015

LETHBRIDGE IRON WORKS COMPANY LIMITED (THE "FOUNDRY") TERMS AND CONDITIONS OF SALE

It is our constant endeavor to produce satisfactory castings of the highest quality. All quotations and all product sold is subject to the following terms and conditions.

1. All castings are sold as unmachined, unpainted castings (unless otherwise quoted), free of gates, risers and extra metal, EXW Incoterms 2000 the Foundry plant and do not include packaging or container costs. The Foundry may ship up to a 10% overage. TERMS – thirty (30) days net from invoice date, unless otherwise stated. Interest will be charged on past due accounts at eighteen percent (18%) per annum calculated annually not in advance or such other rate as may be specified by the Foundry on its invoice. The Purchaser shall be responsible for all legal costs and expenses incurred by the Foundry in the collection of past due accounts and the enforcement of any rights and remedies conferred herein. The Purchaser is responsible for all associated bank fees if accounts are paid by electronic bank transfer.
2. Claims for error in quantity count must be made within ten (10) days after receipt of castings.
3. The Foundry is responsible only for the replacement of castings EXW Incoterms 2000 its plant due to foundry defects. Such castings must be reported and returned to the Foundry for credit or replacement within ninety (90) days of their receipt. The Foundry will NOT be responsible for machining, welding, labor charges or other losses or damages caused by defective castings unless otherwise agreed to in writing. Castings may not be returned without approval.
4. Cancellation of orders may be made only by mutual consent of the Purchaser and the Foundry BEFORE work is started. If work is in process, the Purchaser is to be charged for castings made as well as any other expenses pertaining to the order.
5. The Foundry is not responsible for loss or damage to pattern equipment or associated tooling by fire or other causes while in its possession. Insurance against such losses is the responsibility of the Purchaser.
6. The Foundry will provide storage of the Purchasers pattern equipment free of charge for up to three (3) years after the last date of use. Storage of pattern equipment after this time period will be subject to a yearly storage fee.
7. The Foundry shall not be liable for damages resulting from failure to deliver castings due to causes beyond its control and in no event shall the Foundry, its directors, officers, employees or agents be responsible for any indirect, special or consequential damages, including loss of anticipated profits, loss of time or any other losses incurred by the Purchaser in connection with the purchase installation or operation or failure of the castings or other goods which are the subject of this Agreement.



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8. The Foundry is not responsible for variations existing between drawings and castings when pattern equipment is supplied by the Purchaser. Where the Purchaser does not supply the Foundry with legible detailed castings drawings, the Foundry does not assume any responsibility for dimensional inaccuracies.
9. The Purchaser will protect and indemnify the Foundry against all claims of infringement of patents, designs, copyrights, trademarks or trade names with respect to any products manufactured wholly or partially to purchaser's designs or specifications.
10. Quotations are valid for 90 days from date of issue.
11. The Foundry shall have a lien on pattern equipment and associated tooling enforceable by private sale for any unpaid account whether such account relates to the pattern equipment or to any other dealings between the Purchaser and the Foundry.
12. Unless specifically agreed otherwise, these terms and conditions of sale shall apply to all orders accepted by the Foundry. The parties agree that no contract shall be formed until such time as such order is accepted by the Foundry in Alberta.
13. This agreement shall be construed and enforced in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, and subject to Article 14 below, the parties agree to attorn to the exclusive jurisdiction of the courts of Alberta concerning any dispute arising during the effective term of this agreement as between the parties, or in connection with the performance of this agreement, or in connection with any matter arising, directly or indirectly, from the entering into of this Agreement.
14. The parties agree that all disputes shall be submitted to binding arbitration to be conducted in Lethbridge, Alberta in accordance with the Rules of Arbitration of the International Chamber of Commerce. The arbitration shall be in English.
15. The application of the United Nations Convention on Contracts for the International Sale of Goods, 1980 is expressly excluded.