

TERMS AND CONDITIONS OF PURCHASE

1. **ENTIRE AGREEMENT; MODIFICATION OF TERMS; EXPRESS REJECTION OF OTHER TERMS:** These terms and conditions ("**Terms**") are by and between the seller or counter-party ("**Seller**") named in any purchase order that references these Terms or to which these Terms are attached (each, an "**Order**" and together with these Terms, the "**Agreement**") and IPS Acquisition Inc. ("**INFRA**") ("**parties**", each, a "**party**") and control the purchase and sale of goods, materials, or equipment ("**Goods**") or any services ("**Services**" and together with Goods, the "**Deliverables**") described in such Order. Seller's acceptance of any Order is expressly subject to Seller's assent to these Terms. The Agreement together with any nondisclosure agreement ("**NDA**") between the parties represents the complete agreement of the parties and no documentation provided by Seller (including any quote or order confirmation provided by Seller applicable to the Order or any of Seller's terms and conditions) in any way modify the provisions hereof or is binding upon INFRA, unless an officer of INFRA agrees to such terms in a signed writing that expressly references the applicable Order and these Terms. This Agreement will govern irrespective of whether Seller accepts these Terms by a written acknowledgment. Seller's assent to these Terms will be conclusively presumed if Seller commences performance or otherwise delivers any goods or services under the Order. INFRA's failure to object to provisions contained in any communication received from Seller or acceptance of the goods will not be a waiver or modification of the provisions hereof.
2. **CONFIDENTIALITY:** The terms of any NDA between the parties are incorporated by reference into these Terms and will apply to any confidential information exchanged between the parties under this Agreement.
3. **DELIVERY; PACKING AND LOADING:** Unless as otherwise set forth in the Order, each Order for Goods will specify the delivery point ("**Delivery Point**") and time for delivery. If the Order identifies: (a) INFRA's destination as the Delivery Point, the terms of sale and delivery will be DAP (Incoterms® 2020); (b) the Delivery Point as "PLANT-PICKUP", the terms of sale and delivery will be Seller's facility Ex Works (Incoterms® 2020); or (c) the Delivery Point as "PLANT-COLLECT", "PLANT-ADD FRT", or "PLANT-PREPAID", the terms of sale and delivery will be Seller's facility Ex Works (Incoterms® 2020), except that Seller will load the Goods onto the carrier as arranged by and directly paid by INFRA in the case of "PLANT-COLLECT" or as arranged by Seller in the case of "PLANT-ADD FRT" or "PLANT-PREPAID".
4. **RIGHT OF INSPECTION:** INFRA may inspect, test, review, and otherwise evaluate the Deliverables and reject any nonconforming Deliverables within sixty (60) days following delivery of Goods or completion of Services. This right of inspection, whether exercised or not, will not affect INFRA's right to revoke acceptance or pursue other remedies if defects or nonconformities are discovered at a later date, notwithstanding that any defect or nonconformity could have been discovered upon inspection. Payment will not be construed as an acceptance, or as a waiver or limitation of any of INFRA's rights as set forth herein.
5. **NONCONFORMING DELIVERABLES:** If INFRA determines that any portion of the Deliverables contain defects, errors or fails to conform with the specifications set forth in the Agreement, including any of the warranties in Section 9, INFRA will notify (email will suffice) Seller within ten (10) business days of discovery. INFRA will have no obligation to accept or pay for any Deliverables that do not conform to, or comply with this Agreement, including shipping and routing instructions and dates of shipment and delivery. If INFRA notifies (email will suffice) Seller that a Deliverable is not in conformance, Seller will have a period of five (5) business days following receipt of INFRA's notice (or such other period as the parties mutually agree) to remedy such nonconformities at Seller's sole cost and expense. Acceptance testing and correction of nonconformities will be repeated as required by INFRA to the degree necessary to ensure that any and all nonconformities and defects have been corrected by Seller to INFRA's satisfaction. If INFRA determines that the nonconformities have not been corrected so that the Deliverable is in compliance with the Agreement, INFRA may elect one of the following alternatives and require Seller to: (a) extend the period of time for Seller to remedy the nonconformities and defects; (b) accept the Deliverables at a lower price; or (c) terminate the applicable Order. If INFRA elects to terminate the applicable Order, Seller will promptly refund to INFRA all fees that were paid by INFRA in connection with Deliverable, if any, and (i) all INFRA's expenses of unpacking, repacking, storing, holding, reshipping, or returning any rejected Goods and (ii) all INFRA's customs expenses, expenses for other regulatory actions related to any rejected Goods.

6. CANCELLATION:

- a. By INFRA: INFRA may cancel an Order or portion thereof without liability or penalty by notice to Seller (email will suffice): (i) on or before the cancellation date identified on the Order, or no cancellation date is on the Order, ten (10) days prior to the first shipment of the Goods for Goods cancellations or ten (10) days before the scheduled start of the Services for Services cancellations; (ii) at any time, if the Deliverables are not provided in accordance with the provisions of the Agreement, including any delivery schedule, any promised date of completion or delivery date as set forth in the Order ("**Promise Date**"); (iii) if prior to such Promise Date, INFRA requests adequate assurance of due performance or delivery and such assurance is not provided by the earlier of the Promise Date or ten (10) days after the date of INFRA's request; or (iv) as permitted in Section 7.a. Such cancellation is made without prejudice to INFRA's rights to claim damages against Seller, the amount of any penalty INFRA is required to pay its customer by reason of Seller's nonconformance with the Agreement (including late delivery of Goods). If Seller can fulfill its delivery obligations only by shipping by premium routing, the premium charges will be prepaid by Seller. If Seller ships Goods after INFRA's cancellation, INFRA may, in the exercise of its sole discretion, refuse the shipment, or accept the Goods; in the case of acceptance, INFRA will pay Seller the Order price for such accepted Goods.
- b. Custom Goods: Notwithstanding the foregoing, if the Goods are specially manufactured to INFRA's design or specifications ("**Custom Goods**"), INFRA may elect, within ten (10) days after giving notice of cancellation, to accept delivery of such Custom Goods (finished or unfinished) not previously accepted by INFRA, and in such event will pay Seller as Seller's sole and exclusive compensation therefor the lesser of: (i) the sums (not including allowance for overhead or profit) actually expended by Seller to procure or process the Custom Goods, and (ii) that portion of the Order price for such Custom Goods which corresponds to the portion of Custom Goods completed by Seller as of the date of cancellation, as determined in INFRA's reasonable discretion.

7. PRICE; PAYMENT:

- a. Except as otherwise provided in these Terms, prices specified in the Order will remain fixed and are not subject to adjustment for changes in volume, in the price of raw materials or labor, in currency valuation, or for any other reason, unless the prices are adjusted by written agreement of the parties. If, prior to delivery, INFRA can purchase Goods of equal quality from another source at a lower delivered cost and furnishes Seller proof of same, Seller will, within ten (10) days after receipt of INFRA's notice, notify INFRA of Seller's selection to supply such Goods at the lower delivered costs or permit INFRA to cancel the Order for such Goods without penalty. Any quantity of Goods so cancelled will be deducted from the total quantity in the Order, but the Order will otherwise remain unaffected.
- b. Seller will include on each invoice all federal, state and local taxes, tariffs, import duties, commissions and other charges Seller is required to collect from INFRA under applicable law. Such taxes will be paid by INFRA unless an exemption is available.
- c. Unless otherwise set forth on the Order, INFRA is not obligated to pay any undisputed invoice until: (i) for Goods, forty-five (45) days after delivery is completed as described in Section 3; or (ii) for Services, forty-five (45) days after completion and acceptance of the Services. INFRA is not obligated to pay for any Deliverables for which delivery or performance is not completed for any reason. Seller must submit all invoices to INFRA promptly, but no later than thirty (30) days after the date the Deliverables were completed or delivered to INFRA. If either party is late in making any payment to the other party under these Terms, no interest may be charged unless otherwise set forth on the Order.

8. **WORK PRODUCT:** To the extent that Seller creates, prepares, or develops any materials for INFRA in the course of or resulting from the Services ("**Work Product**"), Seller hereby assigns (and to the extent necessary, has caused its employees, contractors and others to assign) to INFRA all right, title and interest in and to the Work Product. If the Work Product includes or relies on items or rights developed prior to the earlier of the date of Seller's first performance of any of the Services or the date of the Order ("**Prior Works**"), Seller hereby grants INFRA an royalty-free, perpetual, irrevocable, transferable, non-exclusive license to make, have made, use, market, import, distribute, copy, modify, prepare derivative works, perform, display, transmit, disclose, sublicense and otherwise exploit such Prior Works in connection with the Work Product. Seller will assist INFRA, or its designee, upon request and at INFRA's expense, to perfect, evidence, secure, protect, defend and enforce INFRA's rights in the Work Product.

9. WARRANTIES:

- a. Seller represents, warrants and covenants that:
 - i. the Deliverables conform to all specifications, drawings, samples, descriptions and quality standards: (A) furnished or otherwise specified by INFRA, and (B) specified by INFRA in writing;
 - ii. the Goods are merchantable, of good material and workmanship and free from any kind of defects in material and workmanship or other nonconformances, and conform with all safety, governmental, and reliability requirements of INFRA;
 - iii. the Goods will comply with all applicable laws and regulations, and upon request, Seller will provide written certification (in a form reasonably requested by INFRA) of such compliance;
 - iv. the Goods, and the manufacture, importation, sale, resale, and use of the Goods do not infringe or violate any intellectual property right or other right of any third-party;
 - v. it will perform the Services in a professional manner and in accordance with industry standards and the Services will conform to the specifications described in the applicable Order and will be free from defects in workmanship;
 - vi. it will abide by all applicable laws, regulations and, when on INFRA's (or its customer's) premises, INFRA's (or its customer's) safety rules, in the course of performing the Services;
 - vii. Seller is aware of INFRA's intended use of the Goods and warrants the Goods have been accordingly selected, designed, manufactured or assembled by Seller and will be fit and sufficient for the particular purposes intended by INFRA;
 - viii. Seller has performed and will perform testing activities necessary or appropriate to ensure that the Deliverables are compliant with Seller's obligations set forth in this Section 9; and
 - ix. as applicable, Seller will properly pack and load all Goods in suitable containers to prevent transit damage and tampering without further charge to INFRA for boxing, crating, cartage, or other freight or packaging related costs unless otherwise stated in the Order.
- b. Any Deliverables that do not comply with the above Section 9.a are considered as nonconforming.
- c. Unless otherwise set forth in an Order, Seller and not INFRA is responsible for supplying all other labour, tools, equipment, and materials necessary for Seller to provide the Services.
- d. Unless otherwise agreed to by INFRA and Seller in writing, the duration of the warranty provided by Seller to INFRA for the Deliverables will begin on the date of receipt of the Goods by INFRA or the completion of the Services and acceptance by INFRA and end on the later of: (i) the date of expiration of any warranty period provided under applicable law for the Goods; (ii) expiration of any warranty applicable to the Deliverables provided by INFRA to INFRA's end customer for which the Deliverables are used; or (iii) the expiration of any specific warranty period provided in the Order if any; and/or (iv) the expiration of any performance and durability standard provided in any of INFRA's specifications or quality standards provided in connection with the Order.
- e. Without limiting INFRA's other rights and remedies, including without limitation indemnification rights, Seller's obligation to reimburse INFRA's warranty claims due to Seller's breach or failure to fully comply with these Terms or any warranties or duties implied by law or otherwise made by Seller will be determined in accordance with INFRA's applicable warranty terms to its customer.
- f. If Seller discovers or becomes aware that Seller's Goods or its design or manufacturing processes or provision of Services do not comply or may potentially not comply with regulatory compliance requirements or these Terms, Seller will notify INFRA within twenty-four (24) hours of such discovery or awareness.
- g. These warranties are in addition to any warranties implied by law, in equity, or otherwise made by Seller and will survive delivery by Seller and acceptance and payment by INFRA. Furthermore, warranties and covenants apply to Deliverables whether supplied by Seller or Seller's subcontractors or suppliers.
- h. These warranties will not be affected, limited, or discharged in any way by any approval, act, or omission of INFRA. All warranties will run to and inure to the benefit of INFRA, its successors, assigns, and customers, and survive acceptance and use of any payment for the Deliverables.
- i. Without prejudice to other rights and remedies available to INFRA by law or contract, Seller will indemnify INFRA for costs associated with quality-issue investigation and containment to the extent caused by Seller's acts or omissions as provided in Section 10.

10. **INDEMNITY:** To the fullest extent permitted by law, Seller will defend, hold harmless, and indemnify INFRA, its subsidiaries and affiliates, and their employees, agents, and representatives (collectively “**INFRA Indemnitees**”) from and against any and all damages, liabilities, losses, fines, penalties, costs, and expenses (including reasonable attorneys’ and experts’ fees) arising out of any claims, suits, actions, or demands by a third party (collectively, “**Claims**”) arising out of any delivery, servicing, offer, purchase, or sale of any Deliverables, including any of the following: (a) any actual or alleged breach of this Agreement by Seller; (b) any actual or alleged infringement or misappropriation of any intellectual property right or other right relating to any Deliverable; (c) any actual or alleged injury to any person, damage to any property, or any other damage or loss, by whomsoever suffered, resulting or claimed to result in whole or in part from: (i) any Deliverable; (ii) any actual or any actual or alleged defect in any Deliverables, including any alleged failure to provide adequate warnings, labeling, packaging or instructions, or any failure of any Deliverable to comply with any of the requirements of this Agreement or with any express or implied warranties of Seller; or (iii) the shipping, delivery, loading, and unloading of the Goods; (d) any actual or alleged violation of any laws relating to Seller or any Deliverable, or to the manufacture, production, shipment, import, labeling, weights and measurements, use, or sale of any Deliverable; (e) any act or omission of Seller. Seller will appoint counsel to defend Claims as necessary, subject to INFRA’s approval. INFRA may participate as it deems necessary in the handling, adjustment, or defense of any Claim, but is not obligated to do so. If INFRA elects to participate in the defense of a Claim, INFRA may select its own counsel, control its own defense, and settle Claims, and Seller will pay for all reasonable defense costs and expenses as they are incurred. Seller may not enter into any settlement that obligates INFRA without INFRA’s written approval. The indemnification obligations of Seller are not affected, limited, or discharged in any way by any approval, act, or omission of INFRA. The indemnification obligations of Seller apply to the fullest extent permitted by law regardless of any strict liability or negligence (whether sole, concurrent, or contributory) by any INFRA Indemnitee; provided, however, that Seller has no obligation to defend, hold harmless, and indemnify an INFRA Indemnitee for loss caused solely by the negligence or intentional wrongful acts of INFRA.

11. **INDEPENDENT CONTRACTOR:** Seller is engaged in an independent business and will perform its obligations under the Agreement as an independent contractor and not as the agent or employee of INFRA, and nothing in these Terms can be read to imply or construe Seller as a partner, agent or employee of INFRA. Neither party has the authority to act for, bind, or to incur any debts or liabilities in the name of or on behalf of the other party. Each party is solely responsible for all matters relating to payment of its employees and agents, including compliance with worker’s compensation, unemployment, disability insurance, social security withholding, and all other federal, state, and local laws, rules and regulations.

12. **DISPUTES:** Any controversy, claim or dispute arising out of or relating to the Agreement including any question regarding its existence, interpretation, validity, breach or termination or the business relationship created by it will be referred to and finally resolved by arbitration at the Canadian Arbitration Association pursuant to the general Canadian Arbitration Association Rules for Arbitration. The arbitration will be held in Toronto, Canada. The number of arbitrators will be one and the arbitration will be conducted in English. The arbitration will proceed in accordance with the provisions of the Arbitration Act (Ontario). The decision arrived at by the arbitrator(s) will be final and binding and no appeal will lie therefrom. Judgement upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The costs of the arbitrator will be divided equally between the parties.

13. **GENERAL:** These Terms will be governed by and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without reference to conflict of laws principles and the parties agree that the International Sale of Goods Act (Ontario) does not apply to the Agreement. If any claim is not subject to arbitration pursuant to Section 12, then the courts located in Toronto, Ontario, Canada will have exclusive jurisdiction and Seller and INFRA waive any objection to venue in any such courts. Seller may not assign the Agreement or its rights or obligations hereunder without INFRA’s prior written consent, except that if required by Seller’s prime contract, Seller may assign the Agreement without INFRA’s consent to the party with whom Seller has contracted pursuant to such prime contract. Subject to the foregoing limitation on assignment, the Agreement will be binding upon, enforceable by and inure to the benefit of the parties and each of their successors and permitted assigns. If any provision (or any part thereof) is unenforceable under or prohibited by any present or future law, then such provision (or part thereof) is hereby amended, so as to be in compliance with such law, while preserving to the maximum extent possible the intent of the original provision. Any provision (or part thereof) that cannot be so amended will be severed from the Agreement; and all the remaining provisions of the Agreement will remain unimpaired. Failure by either party to complain of any act or failure to act of the other party or to declare the

other party in default, irrespective of the duration of such default, will not constitute a waiver of rights hereunder. The word "including" means "including without limitation". The word "or" means "and/or". Time is of the essence in performance hereunder and a significant and material term hereof. INFRA has the right of set-off, the right of specific performance and the right to obtain injunction, in addition to its other rights and remedies. Any provision of the Agreement that contemplates performance or observance subsequent to any termination or expiration of the Agreement (in whole or in part) will survive any such termination or expiration and continue in full force and effect. The Agreement may be amended only by a writing executed by the parties. Any notices or other communications required or permitted under the Agreement must be in writing by email to INFRA at [ben.semans@infrapipes.com], or to Seller at Seller's "To" address on the Order, or at such other address as a party may specify in writing.