

PURCHASE ORDER TERMS

- dahl Valve Limited 2600 South Sheridan Way **AND CONDITIONS** Mississauga, ON, Canada L5J 2M4 www.dahlvalve.com
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- Agreement/Binding Effect: These Purchase Order Terms and Conditions 7 (the "Terms and Conditions") are incorporated by reference and are deemed a part of the Purchase Order issued by dahl Valve to the vendor 8. identified on the Purchase Order (these Terms and Conditions and the Purchase Order are collectively referred to herein as the "PO"). The PO set forth the terms applicable to the deliverables set forth in the Purchase Order (the "Deliverables"). dahl Valve may rely on the Purchase Order, together with these Terms and Conditions, delivered electronically to the Vendor as if the Purchase Order had been signed by the Vendor, provided that the Purchase Order is not rejected by the Vendor in writing within two (2) business days from Vendor's receipt thereof.
- Order of Precedence: The PO constitutes the final agreement between Vendor and dahl Valve with respect to the Deliverables. If there is a 9. conflict between these Terms and Conditions and the Purchase Order, then these Terms and Conditions shall govern.
- Inspection, Acceptance or Rejection: dahl Valve shall have 90 days after receipt of Deliverables to accept or, with written notice, reject them as nonconforming as determined by dahl Valve. dahl Valve's failure to reject Deliverables within such time frame shall be deemed acceptance thereof. Rejection Goods/Service shall be returned to Vendor, transportation charges collect, or promptly corrected by Vendor's at their sole cost, as applicable. Full credit or refund of all amounts paid by dahl to vendor for the rejected Goods; or replacement Goods to be received within the time period specified by dahl. dahl Valve may reject the Deliverables in whole or in part. Vendor agrees that dahl Valve payment under this PO shall not be deemed acceptance of any Deliverables delivered or performed hereunder. Acceptance shall not relieve Vendor of its warranty obligations or liability for latent defects.
- **Delivery:** (a) Goods: Transfer of title to the Deliverables requiring shipping ("Shipped Goods") from the Vendor to dahl Valve shall occur upon signature confirming receipt by an authorized representative of dahl Valve at the delivery destination specified in the Purchase Order (the "Destination"), notwithstanding any provision in the Purchase Order for dahl Valve to effect payment of the purchase price therefore in installments following delivery. Delivery of Shipped Goods by the Vendor 12. to the Destination shall be on a "FOB Delivered" basis and shall be delivered at the Destination by the date specified in the Purchase Order ("Delivery Date"). The Vendor shall be responsible for securing all permits necessary to import the Shipped Goods into Canada, as necessary, and 13. shall pay the costs thereof. (b) Services: Deliverables that constitute services of the Vendor ("Services") must be completed by their respective date for completion specified in the Purchase Order (the "Completion Date"). dahl Valve reserves the right to immediately cancel this PO without any liability or any further obligations whatsoever to the Vendor in the event, as applicable, that Shipped Goods fail to arrive at the Destination by the Delivery Date or Services are not completed by the $\,^{15}.$ Completion Date. In either event, the Vendor shall indemnify dahl Valve against any damages, loss or liability incurred by dahl Valve arising directly or indirectly from such delivery failures by the Vendor.
- Packaging: Vendor shall package all Shipped Goods in accordance with dahl's packaging specifications and/or prevailing commercial best 16. practices to ensure they will be free of damage upon arrival at the Destination. Vendor shall use commercially reasonable efforts to utilize 17. recycled or recyclable packing materials. dahl Valve may reject Shipped Goods it considers inadequately or improperly packaged, by reference to
- Warranties: Vendor expressly warrants that all Deliverables delivered or performed under this PO will (a) be merchantable (goods only); (b) be 18. free from defects in material and workmanship; (c) be fit for and sufficient for purposes intended by dahl Valve; (d) be in strict conformance with applicable specifications presented to dahl Valve; (e) not infringe any third party rights, including any third party intellectual property rights; and (f) be provided in a timely, professional and competent manner and in accordance with all applicable laws and regulations (including $^{19}\cdot$ applicable insider trading, anti-bribery and privacy laws). All warranties specified herein shall be in addition to any other warranties, express or implied or arising by operation of law, custom or usage. This warranty shall survive dahl Valve's inspections of and payments for any

- **PO Identification:** The PO number must appear on all invoices, bills of lading, packing slips and correspondence, as applicable.
- Indemnification: To the fullest extent permitted by law, Vendor agrees to indemnify and hold harmless dahl Valve and its affiliates and their respective assignees, subcontractors, members, shareholders, directors, officers, managers, partners, employees, agents and consultant from and against all claims, suits, damages and losses, including reasonable attorneys' fees and expenses, that arise from Vendor's breach of this PO, or its negligence, or wrongful acts or omissions in the provision of the Deliverables. The obligations set out herein shall survive the expiration or termination of this PO and apply regardless of whether the Deliverable was integrated into and a component of a larger deliverable to dahl Valve's customer.
- Confidentially: All information given by dahl Valve to Vendor or otherwise obtained by Vendor relating to the business or operations of dahl Valve is dahl Valve confidential information ("Confidential Information") and Vendor shall not disclose the Confidential Information to any third parties or use the Confidential Information except in connection with the performance of its obligations under the PO. The foregoing shall not apply to confidential information which (i) is in or enters the public domain other than by breach thereof (ii) is obtained from a third party lawfully, (iii) is or has been independently generated by Vendor, or (iv) is properly disclosed pursuant to a statutory obligation, the order of a court of competent jurisdiction or that of a competent regulated body. dahl Valve Confidential Information is and shall remain the property of dahl Valve.
- Use of dahl Valve Name and Logo: Vendor may not use the dahl Valve name or logo in any manner without dahl Valve's prior written consent.
- Termination: dahl Valve may terminate this PO with immediate effect (i) if Vendor is in breach hereof and such breach is incurable; (ii) if Vendor has failed to remedy a breach within 10 days after receipt of a written notice thereof; or (iii) for noncompliance with applicable regulations or professional standards. dahl Valve may also terminate this PO without any liability to Vendor at any time for convenience and without cause by giving Vendor twenty (20) business days prior written notice.
- **Relationship:** The relationship of the Parties is that of independent contractors. Nothing in this Agreement is intended to create or will be construed as creating between the Parties the relationship of joint ventures, co-partners, employer/employee or principal and agent.
- **Code of Conduct:** At all times in the course of supplying the Deliverables to dahl Valve, Vendor shall, and shall cause its employees and contractors to, comply with the dahl Valve Supplier Code of Conduct.
- <u>Limitation of Liability:</u> The liability of dahl Valve for its obligations hereunder shall in no event exceed the purchase price of the Deliverables set forth in the Purchase Order (the "Price").
- **Acceptance:** The Acceptance Criteria: dahl Valve shall only accept Deliverables ("Acceptance") if the Deliverables (i) are complete; (ii) meet or exceed all applicable functional, technical, and other specifications; (iii) successfully complete all applicable quality assurance and related tests; and (iv) conform to such other criteria as may be developed and agreed upon by the parties.
- **Payment:** dahl Valve shall pay the Price per the terms as set forth in the
- Governing Law: This PO shall be governed by and construed in accordance with Ontario law, and the laws of Canada applicable therein without regard to conflicts of law principles. The parties submit to the exclusive jurisdiction of Ontario courts in connection with any dispute, claim or other matter arising out of or our relating to this PO or the Deliverables.
- <u>Successors and Assigns.</u> This PO will be binding upon and ensure to the benefit of the parties, their successors and permitted assigns. Neither party may transfer or assign this PO nor any of its rights or obligations hereunder, without the prior written consent of the other party, which consent shall not be unreasonably withheld.
- **Insurance** Vendor shall maintain insurance with responsible insurers against such risks and in such amounts that could reasonably be expected to be carried by persons acting prudently and in a similar business to that of the Vendor.

Deliverables. dahl Valve's continued use of Deliverables after notifying Vendor of their failure to conform to the PO requirements will not be considered a waiver of dahl Valve right to a remedy