

**Standard Terms and Conditions of Sale
Piedmont Pacific**

1. **GENERAL.** All references to "**Piedmont Pacific**" shall mean Piedmont Pacific Corporation, Piedmont Pacific Inc. and any of their affiliates. All references to "**Customer**" shall mean the customer named in a purchase order, quotation or proposal. Customer shall either sign Piedmont Pacific's Agreement (as defined herein), or alternatively, issue a non-conflicting purchase order containing all necessary information including, without limitation, price, payment terms and schedule, type, quantity or description of the products to be provided by Piedmont Pacific (the "**Products**"), as well as delivery terms, schedule and instructions. All references to the "**Agreement**" shall mean any purchase order, quotation, proposal or agreement agreed upon by both parties, whether issued by Piedmont Pacific or by the Customer.
2. **TERMS AND CONDITIONS.** The parties agree that these Standard Terms and Conditions are the exclusive and complete terms accompanying the Agreement and no other terms and conditions will be deemed relevant to explain or supplement these Standard Terms and Conditions whether oral, written, based on usage of trade, or course of dealing or performance. In case of contradiction between the terms and conditions stated in the Agreement and these Standard Terms and Conditions, the terms and conditions stated in the Agreement shall prevail.
3. **PRICES.** The price of a Contract that has been accepted is firm until the agreed delivery date. Customer's request to extend originally agreed upon delivery date(s) or to delay purchase of Products will be subject to price escalation. Price is also subject to escalation to reflect price variations of different parts, components or raw materials attributable: i) to a new tariff, law or regulation; or ii) to inflation.
4. **PAYMENT.** Unless otherwise determined in the Agreement, payment terms are net thirty (30) days from the date of invoice. Payment schedule is detailed in the Agreement. If at any time, in Piedmont Pacific's sole discretion, Customer becomes unable or unwilling to meet the terms specified in these Standard Terms and Conditions or significantly delays the project, Piedmont Pacific may require full or partial payment of the contract price. If in Piedmont Pacific's reasonable opinion, Customer's financial condition does not justify commencement, continuation of production or shipment, Piedmont Pacific may require satisfactory assurance or full or partial payment as a condition to commencing, or continuing manufacture, or in advance of shipment. Piedmont Pacific may also, upon written notice to Customer, cancel or suspend any outstanding Agreement or any portion thereof, unless Customer promptly pays for Products delivered or makes advance payments to Piedmont Pacific. Piedmont Pacific may, at any time, decline to make any shipment or delivery or to perform any work until receipt of payment or security or upon terms and conditions satisfactory to Piedmont Pacific.
5. **TAXES.** Unless otherwise determined in the Agreement, the prices set forth in the Agreement are exclusive of any amount for federal, state, local, sales, use, property, in-country, import, VAT or other similar taxes or duties. Such prices also exclude permit, license, customs, trade tariffs and other similar fees levied upon shipment of the Products.
6. **DELIVERY TERMS.** Unless otherwise determined in the Agreement, delivery terms are EXW (Incoterms 2020) Piedmont Pacific's facility and are exclusive of taxes, shipping, handling and insurance.
7. **DELIVERY.** The delivery schedule set forth in the Agreement is approximate and subject to change. Unless otherwise determined in the Agreement, the Products will be crated for shipment and Piedmont Pacific assumes no responsibility for loss of, or damage to, the Products following delivery and the Products shall thereafter be at the Customer's sole risk. Any claim by Customer against Piedmont Pacific for shortage or damage occurring prior to delivery must be made in writing within ten (10) calendar days following receipt of shipment and accompanied by an original bill of lading signed by the carrier noting that carrier received the Products from Piedmont Pacific in the condition claimed. Piedmont Pacific shall have the right to ship the Products via one single shipment or several partial shipments, within the period allotted by the delivery schedule provided for in the Agreement, unless specifically requested in writing by the Customer that delivery be made in total via one single shipment. Any shipments returned to Piedmont Pacific as a result of Customer's unexcused delay or failure to accept delivery will require Customer to pay all additional costs incurred by Piedmont Pacific, including, without limitation, any storage costs as set forth in these Standard Terms and Conditions.
8. **RISK OF LOSS AND TITLE.** Risk of loss shall pass to Customer as per the applicable delivery terms provided for in These Standard Terms and Conditions. Ownership of the Products shall remain in Piedmont Pacific's name until the purchase price has been received in full by Piedmont Pacific. Customer agrees to perform all acts necessary and to protect Piedmont Pacific's interest by adequately insuring the Products against loss or damage from any external cause.
9. **INSTALLATION.** Products shall be installed by and at the full expense of Customer.
10. **SUSPENSION AND STORAGE.** In the event that the Customer would require an interruption in the work schedule or is not ready or able to accept delivery of the Products following confirmation by Piedmont Pacific that the Products are ready for shipment, Piedmont Pacific will keep the Products in storage for a period of thirty (30) days at no additional charge. After such period, Piedmont Pacific shall be entitled, upon the 31st day, to (i) invoice and obtain payment for all costs and expenses already incurred into the project, including the attributable portion of reasonable profit and overhead, as of the date of suspension as well as all costs and expenses resulting from such suspension (including price changes for parts, components and raw material, as provided for in these Standard Terms and Conditions, (ii) charge interest at a rate of 18% per year on retention amount, if any, and (iii) charge storage fees of \$2.50 per square foot of occupied space per month. In case of prolonged storage, any cost associated with the preservation of certain, when required, Products will be charged to the Customer. If the suspension period lasts for more than 180 days, Piedmont Pacific is entitled to terminate the Agreement in accordance with these Standard Terms and Conditions.
11. **TERMINATION FOR CONVENIENCE.** In the event Customer terminates the Agreement at any time, by no fault of Piedmont Pacific, Piedmont Pacific shall be entitled to invoice Customer for all the costs and expenses incurred into the project, including the attributable portion of reasonable profit and overhead, upon the date of termination (including all Products ordered and not yet received and all Products received and not yet incorporated into the project, wherever they may be stored) and any costs and expenses incurred as a result of such termination.
12. **TERMINATION FOR DEFAULT.** (1) Piedmont Pacific shall have the right to terminate the Agreement, without notice, upon the occurrence of one of the following events: (i) if Customer is adjudged bankrupt, or a receiver is appointed on account of its insolvency or it enters into an arrangement for the benefit of its creditors, or (ii) if Customer persistently fails to make payment when due, or (iii) if Customer suspends, as permitted in these Standard Terms and Conditions, the work related to the Products for a period of more than 180 days. In the event the Contract is terminated due to Customer's default, Piedmont Pacific will be entitled to the same compensation provided for in case of termination for convenience under these Terms and Conditions. (2) Customer shall have the right to terminate any Agreement, without notice, upon the occurrence of one of the following events: (i) if Piedmont Pacific is adjudged bankrupt, or a receiver is appointed on account of its insolvency or it enters into an arrangement for the benefit of its creditors, or (ii) if Piedmont Pacific fails to comply with any material obligations under the Agreement after having been given 15-days' written notice to cure such default. In the event the Contract is terminated due to Piedmont Pacific's default, the Customer shall pay to Piedmont Pacific all the costs and expenses incurred by Piedmont Pacific into the project upon the date of termination (including all Products ordered and not yet received and all Products received and not yet incorporated into the project, wherever they may be stored), less any amount already paid by Customer and less all direct costs and expenses incurred by the Customer as a result of Piedmont Pacific's default, when applicable.
13. **FORCE MAJEURE.** Neither party shall be responsible for delays or failures in performance resulting from events or circumstances beyond the control of such party. Such events shall include, but not limited to acts of God, strikes, lockouts, riots, acts of war, epidemics or pandemics, governmental acts, regulations or orders, fires, communication line failures, power failures and earthquakes. In addition, Piedmont Pacific shall not be liable for any delays in delivery which are caused by events beyond its control, including, but not limited to, delays caused by inaccurate or incomplete data, changes or revisions to

the Products to be provided, delayed approval of Products by Customer, acts of Customer or Customer's agent, inability or delays in obtaining labor or materials, or delay in transportation.

14. **WARRANTY.** Unless otherwise determined in writing, Piedmont Pacific warrants to Customer that Products manufactured by Piedmont Pacific are free from defects in material and in workmanship for a period of twelve (12) months following installation by Customer or eighteen (18) months from delivery, whichever occurs first. This warranty is applicable only when the Products are used in the normal conditions of operation in accordance with the applicable operating instructions and within the range of operating conditions specified by Piedmont Pacific. This warranty does not extend to Products, parts or components manufactured by a third party into which the Products are incorporated. This warranty does not cover disposable items, such as fuses, lamps, probes, sensors, filters, cartridges or other disposable items that must be replaced periodically under the normal and foreseeable operating conditions of the Products warranted hereby. In case the Customer delays the installation of the Products by more than one (1) month after delivery, the Products will be considered as installed for warranty purpose. Provided the Customer has respected the payment terms and schedule of the Agreement, the Customer will be able to exercise the rights granted under this warranty. Piedmont Pacific's obligation under this warranty is limited to the replacement, of any Product that proves to be defective within the warranty period. Shipping, uninstalling and reinstalling of Products, when required, shall be at Customer's sole cost. This warranty shall be void and unenforceable with regard to the Products if they have been damaged by accident, mishandling or abuse, or if they have been repaired, modified, altered, disassembled or otherwise tampered with by anyone other than Piedmont Pacific or its authorized representative, or if any replacement Product not authorized by Piedmont Pacific has been used, or if the Products have not been stored, installed, used or maintained in accordance with the operating documentation and manuals provided by Piedmont Pacific. **THE FOREGOING LIMITED WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER GUARANTEES AND WARRANTIES OF ANY KIND WHATSOEVER, WRITTEN, ORAL OR IMPLIED; ALL OTHER WARRANTIES INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY DISCLAIMED.** Customer may assign this warranty to its client or end-user when required by written contract. Customer's client or end-user shall be bound by the same warranty terms, conditions and obligations and shall be subject to the same warranty exclusions as those applicable to Customer.

15. **CONFIDENTIAL INFORMATION.** The design, manufacture, supply, application and operation of Piedmont Pacific's Products and relevant documentation embody proprietary and confidential information. Customer agrees and undertakes to maintain such confidential information in strict confidence, not to disclose it to others, and to only use it in connection with the use of the Products. Customer will not copy or reproduce any written or printed materials or drawings provided by Piedmont Pacific. Customer agrees to immediately return all confidential material to Piedmont Pacific upon request. Customer acknowledges that a remedy at law for any breach or attempted breach of this section will result in harm to Piedmont Pacific for which monetary damages alone will not be adequate. Customer covenants and agrees that neither it nor any of its affiliates will oppose any demand for specific performance and injunctive and other equitable relief in case of any such breach or attempted breach.

16. **INDEMNIFICATION.** Each party shall indemnify, defend, and hold harmless the other party from and against any and all demands, claims, causes of action, losses, damages, costs, and expenses (including legal fees), of every kind and nature, regardless of whether in law or in equity, arising out of or related to the Products supplied under the Agreement or related to the Agreement, including, but not limited to, personal injury, death, loss of use, or property damage (including the Products themselves), to the extent such demands, claims, causes of action, losses, damages, costs, and expenses are caused by (i) the misconduct, negligence, omission or fault, (ii) breach or violation of a statute, ordinance, governmental regulation, standard, or rule, or (iii) breach of contract, by the indemnifying party, its agents, employees, or subcontractors of any tier. Except for liabilities attributable to personal injury or death, the indemnification obligation of the indemnifying party shall be limited to 100% of the aggregate value of the Agreement.

17. **CONSEQUENTIAL DAMAGES.** Neither party shall be liable for consequential, special, incidental or indirect damages, including, without limitation, loss of revenue, profits or use.

18. **COMPLIANCE WITH LAWS.** To the best of Piedmont Pacific's knowledge, the Products comply with most laws, regulations and industrial practices applicable to Piedmont Pacific's scope of work; however, Piedmont Pacific does not accept responsibility for any state, city or other local law not specifically brought to Piedmont Pacific's attention. Piedmont Pacific is only responsible for the characteristics of the Products and not for the circumstances of their use or for any non-authorized alteration or misuse of the Products. Piedmont Pacific's liability through any noncompliance shall be limited to the cost of replacing the non-complying Products or components after receipt of a prompt written notice of noncompliance. Both parties shall comply with applicable laws and regulations with respect to export control and anti-corruption pertaining to bribery, extortion, kickbacks or other unlawful or improper means of obtaining business whether directly or indirectly. Neither party nor, to the knowledge of the parties, any director, officer, agent, employee or other person associated with or acting on behalf of either party, has (i) used any of its funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from its funds; (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977; or (iv) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

19. **ASSIGNMENT.** Neither party may assign the Agreement, without the prior written consent of the other party. Such consent shall not be unreasonably withheld. However, Piedmont Pacific may assign the Agreement to any of its affiliates or any other entity, that directly or indirectly through one or more intermediaries, controls or is controlled by, or is under the common or shared control, with Piedmont Pacific.

20. **AMENDMENT.** No supplement, modification or waiver or termination of the Agreement shall be binding unless executed in writing by the parties. No waiver of any of the provisions of the Agreement shall be deemed or shall constitute a waiver of any other provision (whether or not similar) nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

21. **ENTIRE AGREEMENT.** The parties agree that the Agreement and these Standard Terms and Conditions constitute the entire agreement between the parties and that there are no other agreements, terms or conditions, expressed or implied, unless otherwise agreed to in writing by Piedmont Pacific. The Agreement and these Standard Terms and Conditions shall supersede any agreement, terms and conditions or any other document that may apply to the transaction between the parties.

22. **GOVERNING LAWS.** The Agreement shall be governed by and construed in accordance with the laws of (i) the State of California when awarded in the USA, and (ii) the laws of the Province of Quebec when awarded outside of the USA. The parties hereby consent to such jurisdiction and waive all others.

23. **MISCELLANEOUS.** This document shall be binding upon and inure to the benefit of the parties and their respective heirs, assignees, legal representatives as well to the benefit of the owner or end-user of the project referenced in the Agreement. The invalidity or non-enforceability of any particular provision of this document shall not affect the other provisions hereof, and this document shall be construed in all respects as if such invalid or unenforceable provisions were omitted.
