

GENERAL TERMS AND CONDITIONS

1. DEFINITIONS

“Authorized Representative” refers to an employee of Score Valves authorized to make a determination or representation on behalf of the company.

“Buyer” refers to the company, partnership, entity, individual, or person who is purchasing the Products and/or Services from Score Valves, as identified in the Sales Order.

“Confidential Information” refers to, without limitation, all technical, business, pricing, financial, and other information of confidential and/or sensitive nature of, or related to, one party, that is disclosed or made available to, or accessed by, the other party and its representatives, either directly or indirectly, through any means of communication.

“Ex Works” (EXW) is when Score Valves makes products available at our Edmonton, AB facility, including loading assistance, and for which the Buyer must cover all transport costs.

“Products” refers to the valves and/or parts that will be purchased by the Buyer, as identified in the Sales Order.

“Purchaser Order” refers to document supplied by the Buyer, to Score Valves, to initiate the process of purchasing Products and/or Services from Score Valves.

“Sales Order” refers to document supplied by Score Valves to the Buyer, which fully describes the Products, Services, and/or costs that will be provided by Score Valves upon acceptance of the Terms.

“Score Valves” refers to Score Energy Products Inc.

“Services” refers to any type of service provided by Score Valves and/or service technician of Score Valves, as identified in the Sales Order.

“Terms” refers to the General Terms and Conditions as outlined herein.

2. TERMS

The Terms set forth herein, and as may be amended from time to time without notice, apply to and govern all Products and/or Services provided by Score Valves except to the extent such Terms have been expressly altered or modified in writing by an Authorized Representative of Score Valves. By

accessing or using Score Valves' website (www.scorevalves.com), or by requesting or purchasing any of Score Valve's Products and/or Services, the Buyer signifies that they have read, understood, and agreed to be bound by these Terms.

Any terms and conditions proposed by the Buyer or otherwise, which conflict in any way with the Terms stated herein or with any quotations and acknowledgements expressly agreed to by an Authorized Representative of Score Valves, are therefore void and, irrespective of the materiality of any such terms and conditions, are excluded from any agreement between Score Valves and the Buyer. No action by Score Valves shall constitute acceptance of such other terms or conditions except when expressly agreed to in writing by an Authorized Representative of Score Valves. In the event of any conflict between these Terms and those of the Buyer, these Terms prevail.

3. CONFIDENTIALITY

Each party agrees to hold the Confidential Information of the other party in strict confidence and to use any such Confidential Information solely for purposes intended and relating to the purchase and delivery of the Products and Services and in all case, in accordance with the applicable laws and regulations.

4. PRICING

- A. List prices and discounts are subject to change without notice.
- B. Minimum order value is \$100.00 (applicable tax not included).
- C. Unless otherwise expressly agreed to in writing and signed by a Score Valves Authorized Representative:
 - i. products which are to be released for immediate shipment, are invoiced at the price outlined by the Sales Order at the time that the Sales Order was provided to the Buyer. Any discounts offered by an Authorized Representative must be agreed to in writing prior to issuance of the Sales Order;
 - ii. all certificates, reports, certified drawings, and additional documentation required or otherwise requested by the Buyer will be provided at an additional charge;
 - iii. prices are Ex Works Score Valves' Edmonton, AB facility. For more information on delivery, please refer to Section 8.
 - iv. all Products sold will be supplied per Score Valves standard quality control documents for testing, tagging, shipping preparation, and warranty.

- v. any changes made to the Sales Order after initial release to the Buyer, whether initiated by Score Valves or the Buyer, are subject to Sales Order revision and as such do not take effect until a revised Sales Order is issued by an Authorized Representative formally incorporating those changes.

5. PAYMENT TERMS AND CREDIT LIMITS

The Buyer shall pay to Score Valves the price of the Products and/or Services provided within thirty (30) days from the date of Score Valves' invoice, unless otherwise agreed to in writing by an Authorized Representative of Score Valves' credit department prior to the delivery of said Products and/or Services. In the event that Score Valves and the Buyer have agreed to a milestone payment schedule, the payment specified in the milestone payment schedule shall be paid on or about the dates that each milestone is achieved. Score Valves may, in its sole discretion, charge interest on overdue payments, with interest commencing on the day on which the amount became payable and calculated at the interest rate of 1.5% per month compounded monthly per annum.

Buyer credit terms and credit limits are determined by a Score Valves credit review. The terms outlined above are applicable to Buyer credit limits set by Score Valves. It is the Buyer's responsibility to have knowledge of their available credit when placing an order. To obtain a credit increase, Buyers may request a review on their account.

Payment terms are subject to change without notice based on the Buyer's current credit status.

6. PAYMENT METHODS

Score Valves accepts electronic fund transfers (EFT's), wires, cheques, and credit card payments. However, an additional 5% administration charge will be added to any payment made by credit card.

7. TAXES AND TARIFFS

All applicable taxes and tariffs that are assessed, levied, or imposed upon Score Valves by reason of the manufacture, sale, or delivery of any Products ordered by the Buyer are the sole cost and responsibility of the Buyer. It is the sole responsibility of the Buyer, and not Score Valves, to understand how taxes and tariffs are applied in the particular circumstances of their transaction with Score Valves and to account for such costs.

When shipping goods internationally, it is important that the Buyer considers the effects of tariffs, taxes, and other clearance charges, in addition to the transportation cost, when determining a shipment's total cost, as all the

foregoing are costs borne by the Buyer. Depending on the shipment content and the destination country, clearance charges could significantly impact the total shipment cost to the Buyer.

Please take note that current United States regulations apply an additional 25% tariffs to any goods with a Country of Origin that is deemed as China which, when applicable, will be a cost solely borne by the Buyer.

8. DELIVERY

Unless otherwise expressly agreed to in writing by an Authorized Representative of Score Valves and the Buyer, all shipments are Ex Works Score Valves' Edmonton, AB facility. As such, all risk of loss or damage associated with the shipment of any Products lie solely with the Buyer and any claims of lost or damaged products in transit shall be filed by the Buyer directly with the carrier. The Buyer agrees to accept shipment when Products are ready to ship otherwise storage fees at a rate of 2% per month may apply.

It is acknowledged and understood by the Buyer that any time of delivery quoted or communicated by Score Valves is an estimation only based on Score Valves' overall assessment of projected lead times at the time of quotation and therefore is subject to change or modification at any time and for any reason, including, but not limited to, unforeseen circumstances or circumstances outside of Score Valves' control. As such, it is understood and agreed that Score Valves bears no responsibility or liability for any costs incurred or resulting from a delay in the timing of delivery.

9. CONTINGENCIES

Score Valves shall not be liable for any delay or failure to manufacture or deliver any Product, or for the provision of any Service, or for any failure to perform any obligation required to be performed by Score Valves under the these Terms or otherwise, when, and to the extent, that the failure or performance is delayed or prevented by any cause beyond Score Valves reasonable control, including without limitation:

- A. Any fire, explosion, earthquake, windstorm, accident, breakdown, strike, lock out, other labour-related causes, flood, epidemic, pandemic, quarantine, drought, embargo, war, riot, act of God or of the public enemy, governmental requests, laws, regulations, orders, or actions, or the interruption of computer or telecommunications systems,
- B. Delay or failure of carriers or contracts, equipment breakdown, inability to obtain or shortages of necessary labour, raw materials, operational materials, plant equipment, manufacturing facilities, or tools or materials required for maintenance and repair, or

- C. Other contingency, delay, failure or cause beyond the control of Score Valves, irrespective of whether such contingency is specified herein or is presently occurring or anticipated.

In the event of the occurrence of any such contingency, the time of delivery stated in the quotation shall be extended, at a minimum, by a period equal to the time lost by reason of such occurrence. During any period of shortage described herein, Score Valves may, in its sole unfettered discretion, prorate its supply of Products among all its Buyers in such manner as it may deem to be equitable.

10. WARRANTY

A. Provisions

Score Valves warrants that, for a reasonable period of time, but not to exceed twelve (12) months from the date of shipment, the Products sold hereunder will be free of defects of workmanship or material under proper and normal storage and use; provided, however, that Score Valves only warrants its Products when they are used in the service and manner recommended. Score Valves, at its option, shall repair the defective Products, ship replacement Products, or refund the purchase price of the defective Products. If Products sold by Score Valves are modified or otherwise altered at any time or place other than the point of original manufacture of such Products, the warranty described herein shall be null and void.

Any warranty terms other than those contained herein made by Score Valves in connection with the Buyer's resale of any of the Products covered hereby, constitutes an agreement between the Buyer and such third party and shall not be binding upon Score Valves, nor shall it obligate Score Valves to any terms not contained herein. The foregoing remedy shall constitute the Buyer's sole and exclusive remedy and the fulfillment of all of Score Valves' liability with respect to the Products.

To invoke the warranty set forth above, the Buyer must submit proof of the defect satisfactory to Score Valves and, at the Buyer's expense, return the defective Products to Score Valves' Edmonton, AB facility. In no event shall Score Valves be held responsible for any claimed defect in the Products sold hereunder unless written notice identifying such defect is received by Score Valve's within twelve (12) months after Score Valves' shipment of the defective Products.

B. Limitation

There are no warranties other than those contained in these Terms nor to any other person other than the Buyer. The warranty provided to the Buyer in paragraph 9.A above is exclusive and is in lieu of all other warranties and the remedy provided in paragraph 9.A is the sole and exclusive remedy and all

other remedies are expressly excluded. Neither any representation or affirmation made, nor any drawing or sample shown, shall be deemed to create any warranty, course of dealing, usage of trade, or standard of performance. All warranties, other than the warranty provided in paragraph A, whether express or implied or arising by operation of law, course of dealing, usage of trade, or otherwise, are excluded. There are no implied warranties of merchantability or fitness for a particular purpose.

11. GENERAL LIMITATION OF REMEDY AND LIABILITY

The Buyer's remedies against Score Valves and Score Valves' liability shall be limited in accordance with this paragraph. Score Valves' liability for any and all losses and damages to the Buyer or any other person resulting from any breach of any warranty by which Score Valves may be bound, any damaged or defective Products supplied by Score Valves (regardless of whether such defect is discovered or latent), delay or failure to manufacture or deliver, breach of agreement or any other cause whatsoever, including Score Valves' negligence, shall in no event exceed the purchase price of the particular Products with respect to which defects, losses, or damages are claimed, or at the election of Score Valves, the repair or replacement of defective or damaged Products.

In no event shall any of Score Valves' vendees or any end-users be entitled to recover any consequential or incidental damages, including, but not limited to, any commercial loss or injury to any person, whether or not said damages are caused, in whole or in part, by any delay, failure, non-performance, or negligence of Score Valves, or the breach by Score Valves of any of the Terms contained herein or of any other related documents, regardless of the form of the claim or cause of action, whether based in term, contract, infringement, negligence, strict liability, other tort, or otherwise, made a part of the agreement between Score Valves and the Buyer.

Without limitation of the foregoing, in no event shall Score Valves be liable to the Buyer, any of the Buyer's vendees, or any end-user for (i) the loss of use of Score Valves' Products, (ii) the loss of use of, or damage to, any other good, product, process, plant, equipment, or facilities of the Buyer or the end-user, whether partially or wholly due to defects in material, workmanship, and/or design of Score Valves' Products, or (iii) for the costs or expenses incurred in or attendant to the removal or reinstallation of any Products supplied by Score Valves for any damage to other property or equipment resulting from any such removal or reinstallation.

Score Valves shall not be liable for damages which result from improper storage, improper handling, or improper installation of its Products. Score Valves will not assume any expense or liability caused by, or relating to, repairs unless specifically agreed in writing signed by a Score Valves Authorized Representative. Score Valves does not warrant and shall not be liable for equipment and accessories supplied by other manufacturers.

12. BUYER'S ACCEPTANCE

The Buyer shall be responsible to conduct a reasonable and complete inspection of the Products delivered per the Sales Order agreement and hereunder these Terms. All claims must fully specify any errors, shortages, rejections, or any other non-conformity of any Score Valves Products and shall be made in writing to Score Valves within a period of ten (10) days following delivery. The Buyer's failure to make such claims within ten (10) days shall constitute an irrevocable acceptance of the Products and an admission that such Products fully comply with all terms, conditions, and specifications contained in the Terms. Each shipment of Products shall be accepted or rejected in its entirety and the Buyer's acceptance of part of the Products tendered in a shipment shall constitute acceptance of all of the Products tendered in that shipment unless otherwise consented to in writing by an Authorized Representative of Score Valves. If the Buyer accepts a shipment, such acceptance shall be final and irrevocable, and no attempted revocation of such acceptance shall be effective.

13. CURE

If a shipment of Products is rejected by the Buyer, Score Valves shall have the right to cure in any reasonable manner the error, defect, shortage, or other non-conformity giving rise to the rejection.

14. RESTOCKING AND CANCELLATION POLICY

In the event that the Buyer would like to return or cancel their order, minimum charges will apply based on the stage of the process of the order at the time written notice of the Buyer's cancellation is received by Score Valves, as set out below:

- A. Standard stock items (i.e., non-special order parts)
 - i. Released to Engineering:
 - 10% of invoice price or \$60 CAD minimum per item/valve.
 - ii. Released to Purchasing and/or Production:
 - 20% of invoice price.
 - iii. Released to shop floor:
 - 30% of invoice price.

- iv. Released to Shipping or shipped:
 - 40% of invoice price, plus refurbishment costs, as applicable (Note 1).
 - v. After installation:
 - 100% of invoice price.
- B. Standard stock items with few special order parts
- i. Released to Engineering:
 - 10% of invoice price or \$60 CAD minimum per item/valve.
 - ii. Released to Purchasing and/or Production:
 - 20% of invoice price.
 - iii. Special parts ordered:
 - 20% of invoice price, plus cancellation charges from vendor.
 - iv. Released to shop floor:
 - 30% of invoice price, plus cancellation/return charges from vendor.
 - v. Released to Shipping or shipped:
 - 40% of invoice price, plus cancellation/return charges from vendor, plus refurbishment costs, as applicable (Note 1).
 - vi. After installation:
 - 100% of invoice price.
- C. Special/Non-standard stock items (e.g., special material, special construction, or special design)
- i. Released to Engineering:
 - 10% of invoice price or \$60 CAD minimum per item/valve.
 - ii. Released to Purchasing and/or Production:

- 25% of invoice price.
- iii. Special/Non-standard parts ordered:
 - 25% of invoice price, plus cancellation charges from vendor, plus fixture, jiggling, pattern costs, etc.
- iv. Released to shop floor:
 - 95% of invoice price.
- v. Released to Shipping or shipped:
 - 100% of invoice price.

**Note 1: All returned items will be inspected upon receipt. Any costs incurred to return the item to like new condition are to be paid by the Buyer.*

15. GENERAL PROVISIONS

- A. **Notice.** Any notice, consent, waiver, approval, authorization or other communication to be delivered in connection with these Terms
- i. by us to you will be deemed to have been effectively and validly given if delivered or sent to any of the contact particulars then listed in your Account or otherwise provided to us; and
 - ii. by you to us will only be deemed to have been effectively and validly given if in writing and delivered or submitted to:

Office Manager
admin@scorevalves.com
9821 - 41 Avenue NW
Edmonton, AB T6E 0A2

except in the case of communications expressly permitted to be given in writing to such other address as may be specified by Score Valves.

- B. **Headings.** The section headings contained herein are included solely for convenience, and are not intended to be full or accurate descriptions of the content thereof, and shall not be considered part of this agreement nor used in any manner in determining the construction hereof or the intentions, express or implied, of any party hereto.
- C. **Severability.** Any term, condition or provision of these Terms, or portion thereof, which is, or shall be deemed to be, void, prohibited or

unenforceable in any jurisdiction shall, as to such jurisdiction, be severable herefrom and be ineffective to the extent of such avoidance, prohibition or unenforceability without in any way invalidating the remaining terms, conditions, and provision of these Terms, and any such avoidance, prohibition or unenforceability in any jurisdiction shall not *ipso facto* invalidate or render unenforceable such terms, conditions, or provisions in any other jurisdiction.

- D. **Governing Law.** These Terms and the terms and conditions in any Sales Order issued by an Authorized Representative of Score Valves shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of Province of Alberta excluding any conflicts of law, rule or principle which might refer such construction to the laws of another jurisdiction. The Parties hereby irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta and the Supreme Court of Canada.
- E. **Legal Relationship.** No term, condition or provision of these Terms or of any Sales Order or any other document are intended to create a joint venture, partnership, agency or any other similar relationship between Score Valves and the Buyer or any other party as the case may be.
- F. **Waiver.** No term, condition, or provision hereof shall be waived nor any breach hereof excused except in writing signed by Score Valves. No waiver of any provision of these Terms shall constitute a waiver of any other provision. No consent or waiver by Score Valves to any breach by the Buyer shall constitute a consent to, waiver of or excuse for any other breach. The failure of Score Valves to give notice to the Buyer, or to take any other steps in respect of, a breach or non-fulfilment of any provision of these Terms shall not constitute a waiver thereof. Acceptance of payment by Score Valves or the delivery of Products and/or Services to the Buyer after a breach or non-fulfilment of any term, condition, or provision of these Terms shall not constitute a waiver thereof.