

SALES ORDER/QUOTE STANDARD TERMS AND CONDITIONS

The Terms and Conditions detailed herein ("Agreement") apply to your ("Customer's") purchase from Sentient of Sentient electrical or mechanical hardware ("Hardware"), licenses to use Sentient software ("Software"), and Non-Sentient Branded Products (collectively the "Product(s)"), as well as Sentient hardware and software services and support ("Services"). Sentient means Sentient Tools Engineering Corporation on the Quote, order acknowledgement, or invoice. This agreement shall apply unless Customer and Sentient have entered into a separate signed agreement applicable to the particular purchase of Products or Services. By placing an order with Sentient, Customer agrees to be bound by the terms of this Agreement. Sentient expressly objects to and rejects any Terms and Conditions in Customer's Purchase order or other similar document.

- 1. Prices and Orders.** Prices are set forth in the quotation issued to Customer ("Quote"). All Quotes expire seven (7) days from date of issuance, unless otherwise stated in the Quote. All orders are subject to acceptance at the sole discretion of Sentient. Orders will be considered accepted once Sentient books an order and sends Customer a sales order acknowledgement. Sentient shall not be bound by changes to an order unless agreed by Sentient in writing. Sentient reserves the right to cancel any order if any information provided by Customer to Sentient is inaccurate.
- 2. Payment and Invoicing.** Payment is due at the time the order is placed. If Customer is approved for credit, payment shall be due within twenty-one (21) days from the date of invoice ("Invoice Date"). Payment shall be in the currency listed on the Sentient invoice. All sums not paid when due shall accrue interest daily at a monthly rate of the lesser of 2% or the highest rate permissible by law. If there are multiple units in an order, each unit will be invoiced when shipped. Sentient may terminate this Agreement and any and all licence agreement(s) for use of the Product immediately upon written notice to Customer should Customer (i) fail to make payment as required within ten (10) days following Customer's receipt of written notice of such event of default, or (ii) otherwise fail to perform its other obligations under this Agreement.
- 3. Delivery, Title and Risk of Loss.** Title and risk of loss to Products shall pass to Customer upon shipment from Sentient, its warehouses, or its affiliated companies; provided however, Sentient retains a security interest and right of possession in the Products until Customer makes payment in full. For orders to be delivered within the same country as the Sentient entity accepting the order, Sentient will arrange the shipping; however, Customer is responsible for all shipping and handling fees set forth in the invoice. If Customer chooses to arrange for shipping or if the order is placed with a Sentient entity outside the country of the applicable shipping destination, Customer is responsible for all shipping and handling, including fees, customs, formalities and clearance. Shipment dates provided by Sentient are estimates only, and Sentient shall have no liability for losses or claims resulting from late delivery of Products. Claims for shipment shortage shall be deemed waived unless presented to Sentient in writing within forty-five (45) days of Invoice Date.
- 4. Taxes.** Prices exclude, and Customer is responsible for, any sales, use, service, value added, and similar taxes ("Taxes") arising from the purchase of the Products and Services. If Customer is exempt from any Taxes, it must provide Sentient with the appropriate tax exemption documentation at the time the order is placed.
- 5. Software.** Software may either be sold at a fixed price (Customer to own software), or licensed. If software is licensed, it is licensed pursuant to the software license agreements provided with the software. All software that is licensed, the title to the software remains with the applicable licensor(s). Software sold to Customer becomes property of the Customer. Sentient reserves the right to use any know-how that does not form part of the Customer Intellectual Property used by Sentient in the software.
- 6. Non-Sentient Branded Products.** The Limited Warranty and Sentient Intellectual Property Liability sections of this Agreement do not apply to the sale and purchase of Non-Sentient Branded Products. "Non-Sentient Branded Product(s)" means any third-party hardware, software, or service that Sentient sells, but does not carry a Sentient mark. Non-Sentient Branded Products that Sentient resells are subject to warranties from third parties, and may not be testable or repairable by Sentient, and it may be necessary for Customer to contact the manufacturer or the publisher for service. Sentient does not warrant, has no obligation to support, and shall have no warranty or other liability for Non-Sentient Branded Products.
- 7. Services.** Services provided by Sentient are also subject to any service agreements or statements of work agreed upon in writing by the parties or, as applicable, to the Sentient Service Terms and Conditions.
- 8. Return Policy.** Customer may return standard Products within thirty (30) days of the Invoice Date if agreed by Sentient. Sentient reserves the right to charge Customer a twenty percent (20%) restocking fee for any Products returned to Sentient. No returns will be accepted after the thirty (30) day period has expired. The freight cost for returning a product to Sentient is to be covered by customer. For products failing within the first 30 days of the warranty period, Sentient Tools Engineering Corporation will return the repaired product at its expense using a standard shipping method; after 30 days of the warranty period, the repaired product will be returned at the customer's expense using the customer's requested shipping method. Damage due to corrosion, customer alterations, excessive dust, extreme environmental or electrical conditions, insufficient customer maintenance, and/or misuse will be evaluated upon inspection. If inspection reveals that the cause of damage is not due to materials or workmanship, repair of the product will be treated on a non-warranty basis.
- 9. Returns Authorization (RA).** An RA number is required for Customer to return any Product(s). Acceptance of returns of customized Products and Non-Sentient Branded Products is in the sole discretion of Sentient. Prior to returning Product on RA, give a full description of the difficulty and include the model, serial number of the unit and log files. Upon receipt of this information, we will give you service information or shipping instructions.

10. Limited Warranty. For a period of six (6) months from the Invoice Date, Sentient warrants that its Hardware will be free of defects in materials and workmanship that cause the Hardware to fail to substantially conform to the applicable Sentient published specifications. For a period of ninety (90) days from the Invoice Date, Sentient warrants that the Software will perform substantially in accordance with the applicable documentation provided with the Software. Sentient warrants that the Services will be performed in a good and workmanlike manner. If Sentient receives notice of a defect or non-conformance during the applicable warranty period, Sentient will, in its discretion: (i) repair or replace the affected Hardware or Software, (ii) re-perform the affected Services, or (iii) refund the fees paid for the affected Hardware, Software or Services. Repaired or replaced Hardware or Software will be warranted for the remainder of the original warranty period or ninety (90) days, whichever is longer. If Sentient elects to repair or replace Hardware, Sentient may use new or refurbished parts or products that are equivalent to new in performance and reliability and that have at least a functionally equivalent to the original part or Hardware. Customer must obtain an RA number from Sentient before returning any Hardware under warranty to Sentient. Customer will pay shipping expenses to send the affected Hardware to Sentient, and Sentient will pay shipping expenses to return the Hardware to the Customer. If Sentient concludes, after examining and testing returned Hardware, that it is not covered by the Limited Warranty, Sentient will notify Customer and return the Hardware at Customer's expense. Sentient reserves the right to charge a fee for examining and testing Hardware not covered by the Limited Warranty. The Limited Warranty does not apply if the defect of the Hardware or Software resulted from improper or inadequate maintenance, installation, repair, or calibration (unless performed by Sentient); unauthorized modification; improper environment; use of an improper hardware or software key; improper use or operation outside of the specification for the Hardware or Software; improper voltages; accident, abuse, or neglect; or a hazard such as lightning, flood, or other act of nature. The remedies set forth above are the Customer's sole and exclusive remedies, and shall not apply even if such remedies fail of their essential purpose.

11. No Other Warranties. Except as expressly set forth in this Agreement, Products and Services are provided "AS IS" without warranty of any kind and Sentient disclaims all warranties, expressed or implied, with respect to the Products or Services, including any implied warranties of merchantability, fitness for particular purpose, title or non-infringement, and any warranties that may arise from usage of trade or course of dealing. Sentient does not warrant, guarantee, or make any representations regarding the use of or the results of the use of the Products or Services in terms of correctness, accuracy, reliability, or otherwise. Sentient does not warrant that the operation of the products will be uninterrupted or error free.

12. Warning and Customer Indemnity. Customer understands and acknowledges that Products and Services are not designed, manufactured, or tested for use in life or safety critical systems, hazardous environments or any other environments requiring fail-safe performance, including in the operation of nuclear facilities; aircraft navigation; air traffic control systems; life saving or life sustaining systems or such other medical devices; or any other application in which the failure of the product or service could lead to death, personal injury, severe property damage or environmental harm (collectively, "high-risk uses"). Further, customer must take prudent steps to protect against product and service failures, including providing back-up and shut-down mechanisms. Sentient expressly disclaims any express or implied warranty of fitness of the products or services for high-risk uses. Customer shall defend, indemnify, and hold Sentient harmless from any and all claims, losses, damages, actions, including, lawsuits, arbitrations, and/or administrative actions, and expenses (including reasonable attorneys' fees) arising out of Customer's use of the products and services for any high-risk uses, including claims for product liability, personal injury (including death) or damage to property, regardless of whether such claims are founded in whole or in part upon alleged or actual negligence of Sentient. Only specifications explicitly defined in datasheets or other product documentation is guaranteed by Sentient. Any use of products outside these specifications (temperature, voltage, pressure or any other working/environmental conditions not specified by Sentient) is on the customers' own risk and responsibility.

13. System and Application Responsibility and Additional Indemnity. Customer acknowledges that it is ultimately responsible for verifying and validating the suitability and reliability of the Products or Services whenever the Products or services are incorporated in its system or application, including the appropriate design, process, and safety level of such system or application. Further, customer must take prudent steps to protect against product and service failures when products and services are incorporated in a system or application, including providing back-up and shut-down mechanisms. Customer shall defend, indemnify, and hold Sentient harmless from any and all claims, losses, damages, actions, including lawsuits, arbitrations, and/or administrative actions, and expenses (including reasonable attorneys' fees) arising out of customer's incorporation of the products or services into its system or application, regardless of whether such claims are founded in whole or in part upon alleged or actual negligence of Sentient.

14. Intellectual Property Liability. Sentient agrees to defend against any third-party claim or allegations that the Hardware, Software or Services infringe any patent, copyright, or trademark ("Claim"). Customer shall notify Sentient immediately upon learning of any Claim, or any allegation that the grounds for a Claim may exist, shall grant Sentient sole control over the defense and settlement of the Claim, and shall cooperate fully with Sentient in preparing a defense for any Claim. Sentient agrees to pay any final judgment or settlement resulting from any Claim, provided that the settlement is entered into in accordance with this Section. Sentient shall not be liable for a settlement made without its prior written consent. Notwithstanding the foregoing, Sentient shall have no obligation under this Section for any claim relating to or arising from (a) Customer's modifications of Hardware, Software or Services; (b) failure to use Hardware, Software or Services in accordance with the applicable documentation provided by Sentient; (c) the combination, operation, or use of Hardware, Software or Services with any hardware, software or service not provided by Sentient; (d) the compliance of Sentient with Customer's specifications or directions, including the incorporation of any software or other materials provided by or requested by Customer; or (e) Non-Sentient Branded Products. In such cases Customer shall defend indemnify and hold Sentient harmless from any and all claims, losses, damages, actions, including, lawsuits, arbitrations, and/or administrative actions, and expenses (including reasonable attorneys' fees). The foregoing states the Customer's sole remedy

for, and the entire liability and responsibility of Sentient for, infringement of any patent, trademark, or copyright or other intellectual property rights. This limited indemnity is in lieu of any other statutory or implied warranty against infringement.

In any event, if Sentient believes in its reasonable opinion the Hardware, Software, or Services may be alleged to be infringing, for the purposes of mitigating any potential damages, Sentient may, at its option, (i) procure for the Customer the right to continue to use the Hardware, Software, or Services; (ii) replace them with comparable Hardware, Software or Services that are free of such infringement; or (iii) refund the fees paid by Customer, in which case Customer shall promptly return the Hardware to Sentient and/or terminate the use of the Software or Services.

15. Intellectual Property shall mean all intellectual property rights including but not limited to all technical, financial, personal, business and other information, financial and business plans, financial statements, marketing plans, business ideas and strategies, clients, customers and contacts, documents, data, methods, formulations, operations, computer programs and systems, computer hardware, source code, mobile applications, websites, documentation, secret processes, methods of manufacture, formulations, methods of testing, quality control procedures, ideas, invention concepts, designs, devices, prototype models, publications, reports, notes, plans and drawings, any such information specifically indicated at any time to be proprietary, secret or confidential, all patents, trademarks, copyrights, industrial designs, inventions, discoveries, design rights, trade dress, Confidential Information, trade secrets and know-how, including but not limited to all information, domain names, social media sites, user names and handles, documentation, customer lists, customer data, artistic and literary works, methods, techniques, procedures, analyses, skill and experience that have been made, conceived, developed, acquired or first reduced to practice in whole or in part by Sentient, its employees, agents, contractors and assigns at any time.

16. Confidential Information shall mean all confidential, secret, or proprietary information of Sentient which is communicated or disclosed, either orally, in writing or in any other material form, pursuant to this Agreement, including, but not limited to, Sentient's products, services, inventions, computer hardware and software and the information contained therein, source code, data, sales methods, prices, customers, former customers, potential customers, suppliers, trade secrets, business methods, policies or plans, all technical, financial, personal, business and other information, financial and business plans, financial statements, marketing plans, business ideas and strategies, clients, customers and contacts, documents, methods, formulations, operations, know-how, trade secrets, computer programs and systems, mobile applications, websites, documentation, secret processes, methods of manufacture, methods of testing, quality control procedures, ideas, inventions, designs, devices, prototypes, patents, copyrights, publications, reports, plans and drawings, and any such information specifically indicated at any time to be proprietary, secret or confidential, and any other information or document that Sentient advises is confidential, whether verbally or in writing.

17. Proprietary Rights. Sentient reserves all right, title, and interest in any intellectual property rights contained or embodied in Products, or resulting from the Services, including any custom developments created or provided by Sentient under this Agreement. Nothing in this Agreement will be deemed to grant to Customer any ownership rights in such intellectual property. Customer acknowledges and agrees that Sentient's Intellectual Property and Confidential Information are valid and are the exclusive property of Sentient and agrees that it will not directly or indirectly do or cause to be done any act which may in any way jeopardize or adversely affect the validity of Sentient's Intellectual Property and Confidential Information or the right and title of Sentient thereto. Customer agrees that it will, without charge to Sentient do all things and execute all such deeds and documents that may at any time be necessary or desirable to preserve and protect the sole ownership and validity of Sentient's Intellectual Property and Confidential Information and to ensure the right and title of Sentient thereto and the validity thereof.

18. Confidentiality. Customer hereby agrees not to disclose, or authorize or permit the disclosure, of Sentient's Intellectual Property or Confidential Information to any person, firm or corporation, without the prior written consent of Sentient which may be arbitrarily withheld. Customer shall use all reasonable efforts to ensure that all Sentient's Intellectual Property and Confidential Information is held in strict confidence and shall treat such Sentient's Intellectual Property and Confidential Information with the same degree of care that Customer, acting reasonably, should exercise with regard to its own confidential or proprietary information. Customer shall ensure that any employees, independent contractors, or other third parties that will have access to such Sentient's Intellectual Property and Confidential Information will have signed confidentiality agreements with terms similar to those contained in this Agreement. Customer shall not reproduce or copy any of Sentient's Intellectual Property and Confidential Information without the express written consent of Sentient.

19. Right of Product Use. Customer hereby agrees that it will not, independently or in association with any third party, create any device that competes with or functions similarly to the Product. Customer further agrees that it will not manufacture, distribute, disclose, decompile or reverse engineer the Product for any purpose. Customer further agrees that it will not sell the Product without entering into an agreement with the third party purchasing the Product protecting the rights of Sentient to Sentient's Intellectual Property, substantially similar to the terms in this Agreement. GDI further agrees that it will prohibit the resale of the Product without first entering into an agreement with the third party purchasing the Product protecting the rights of Sentient to the Intellectual Property and Confidential Information, substantially similar to the terms in this Agreement. GDI further agrees that it will not sublicense the Product to any third party without the prior written consent of Sentient.

20. Limitation of Liability. Sentient shall not be liable for (i) special, indirect, incidental, punitive, exemplary, or consequential damages arising out of or in connection with this agreement or the products or services; or (ii) any damages arising out of or in connection with: (a) products or services not being available for use, including any costs of obtaining substitute products or services; (b) loss of, corruption of, or loss of use of any products, hardware, software or data; (c) loss of revenue, profit, or business opportunity; (d) business interruption or downtime; or (e) inability to achieve a particular result, even if it is at suggestion made by Sentient. To the extent permitted by applicable law, the total liability of Sentient arising out of, or in connection with this agreement or the products or services, shall not exceed the amount of the fees paid by customer for the specific product or service giving rise to such claim. This section: (1) applies to Sentient and its licensors, distributors, and suppliers (including its and their directors, officers, employees, and agents), (2) reflects an allocation of risk between Sentient and customer in view of the purchase price of the products and services, (3) applies even if Sentient has been advised of the

possibility of the damages and regardless of whether such claims are founded in whole or in part upon alleged or actual negligence of Sentient, and (4) regardless of whether such damages are based in contract, warranty, strict liability, negligence, tort, or otherwise. To the extent the foregoing limitation of liability is unenforceable or fails of its essential purpose, the sole liability of Sentient to Customer shall be limited to \$50,000 (CAD).

21. Force Majeure. Sentient shall not be responsible for any delay or failure to perform due to any cause beyond its reasonable control, including but not limited to acts of nature or governments; interruptions of telecommunications, power or transportation; failure of contractors or suppliers; or inability to obtain necessary labor or materials ("Force Majeure Event"). In the event of a Force Majeure Event, Sentient reserves the right to cancel the applicable order without any liability to Customer.

22. Export and Sanctions Laws and Compliance. Products (which, for purposes of this Section, shall include the software and technology incorporated in or supplied with a Product and Service) purchased from Sentient may be subject to export control regulations, in Canada, Europe or the United States of America or countries in which the Products are delivered or used. Products may not be exported or re-exported to any country where sanctions are imposed by public authorities. Customer agrees it will comply with the export laws and trade sanctions of applicable countries and will not export, re-export or transfer Products purchased from Sentient without the required license(s), including an export or re-export license issued by the relevant authorities, or to any prohibited destination or for a prohibited end-use. Products may also require export license(s) issued by the applicable authorities before being returned to Sentient. The issuance of a Quote, a sales order acknowledgment, or an RA by Sentient is not an export license. Customer represents and warrants that it is not ineligible or otherwise restricted by any applicable law or regulation to receive Products and that it will not export, re-export, or provide Products to any person or entity on OFAC's List of Specially Designated Nationals or on BIS's Denied Persons List, Entity List or Unverified List or any other applicable restricted party list. Sentient reserves the right to refuse and/or cancel any order if, at any time, Sentient believes that any export controls or trade sanctions laws may be violated. The customer agrees to defend, indemnify and hold Sentient harmless from any and all claims, losses, damages, actions, including, lawsuits, arbitrations, and/or administrative actions, and expenses (including reasonable attorneys' fees) incurred by Sentient as a result of breach of this clause 17.

23. Independent Contractors. Sentient will perform its obligations under the Agreement as an independent contractor and in no way will Sentient or its employees be considered employees, agents, partners, fiduciaries, or joint venturers of Customer. Sentient and its employees will have no authority to represent Customer or its Affiliates or bind Customer or its Affiliates in any way, and neither Sentient nor its employees will hold themselves out as having authority to act for Customer or its Affiliates.

24. Governing Law. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. This Agreement shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein. The parties irrevocably attorn to the jurisdiction of the courts of Alberta in Edmonton, which will have non-exclusive jurisdiction over any matter arising out of this Agreement.

25. Limitation Period. Any claim against Sentient shall be made without undue delay. Under no circumstances shall Sentient be liable for any claim arising under this agreement which are brought more than one (1) year after the cause of action for such claim first arose.

26. Updates. Sentient reserves the right to update this Agreement at any time, effective upon posting an updated version at <http://sentienttools.ca/terms-conditions> however, the terms and conditions in effect at the time of purchase shall apply to that purchase of Products or Services.

27. General Terms. This Agreement, and any terms incorporated herein by reference, constitutes the entire Agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings or agreements, whether written or oral, with respect to that subject matter. Customer acknowledges having read this Agreement, understands these terms, and agrees to be bound by them. This Agreement may not be altered, supplemented, or amended by the use of any other document unless otherwise agreed in writing by Sentient. No delay or failure by Sentient to exercise any right it has under this Agreement shall impair or be construed as a waiver of such right. A waiver of any provision of this Agreement must be in writing and shall not be construed as a waiver or modification of any other term hereof, or as a continuing waiver of any provision. The term 'including' as used in the Agreement should be construed as 'including without limitation'. If any part, term, or provision of this Agreement is held illegal, unenforceable, or in conflict with any applicable and enforceable law, the validity of the remaining portions or provisions of this Agreement shall not be affected. The doctrine that any ambiguity contained in a contract shall be construed against the party having drafted the contract is expressly waived by each of the parties with respect to this Agreement.

28. Language. It is the express wish of the parties that this Agreement and any related documentation be drawn up in English. *Il est de la volonté expresse des parties que cette convention ainsi que tout document connexe soient rédigées en langue anglaise.*