

Terms and Conditions

Stream-Flo Industries Ltd. ("Stream-Flo") and the Buyer agree that "contract" as used herein may refer to an accepted Purchase Order, these Terms and Conditions, or other documentation that confirms a particular order for Stream-Flo's products. For greater certainty, the contract between Stream-Flo and the Buyer includes these Terms and Conditions, which shall be subject to change from time to time by Stream-Flo. Further, the parties agree that any alternative terms to the accepted Purchase Order or these Terms and Conditions proposed by the Buyer, whether endorsed hereon or submitted by letter/email or by phone will be void, unless first accepted in writing by an authorized signatory of Stream-Flo.

Price: Quotations and prices are subject to change without notice and all shipments will be billed at Stream-Flo's prices in effect at time of shipment, unless otherwise agreed in writing by an authorized representative of Stream-Flo. Prices quoted are based on quantities quoted. Stream-Flo reserves the right to re-quote if quantities or delivery differ at the time the order is placed.

Schedule and Delivery: Quotations and sales, including transfer of title to goods sold and the risk thereof are Ex Works (per current Incoterms) at Stream-Flo's manufacturing facility in Edmonton, Alberta, unless otherwise expressly stipulated, and all transportation, insurance, customs duties and related charges are for the account of the Buyer or as otherwise agreed in writing. If published transportation rates are increased or decreased prior to shipment, prices of unshipped materials or goods which may have been ordered on a "delivered price" basis, will be increased or decreased accordingly. Stream-Flo reserves the right to notify the Buyer and then charge for storage and administration costs incurred against goods held for more than a reasonable period while awaiting delivery or other instructions, which the Buyer agrees to pay on demand.

Shipping: Stream-Flo will prepare shipments according to Stream-Flo's procedure and other applicable standards to minimize the possibility of rust, breakage or other deterioration in transit; however Stream-Flo accepts no responsibility for such damage. In the event of damage or loss in transit, the Buyer must give immediate notice to the carrier's agent at destination and to Stream-Flo. No claims for shortage or errors in charges or shipment shall be valid if not received in writing within thirty (30) days after receipt of goods.

Force Majeure: Stream-Flo will endeavor to complete the contract or deliver the goods within the time agreed, but will not be liable for any loss or damage caused directly or indirectly by any delay. Stream-Flo is not responsible for any loss-damage or delays caused by changes to laws and/or regulations, or by fires, strikes, and disputes with workers, extreme weather, accidents, embargos, transportation delays, shortage of railcars, fuel or other materials, shortage of labor or for any other causes beyond the reasonable control of Stream-Flo. Should such a force majeure event occur, Stream-Flo will have additional time to perform as reasonable; and/or may apportion its production among its customers in an equitable manner; and/or has the option of terminating the contract by providing written notice to the Buyer.

Acceptance: Should the Buyer require inspection by its own representative, the request must be made when the order is placed to allow for price and schedule adjustments. It is the Buyer's responsibility to request inspection by its own representative, at its own cost. Otherwise, goods are deemed to be inspected and accepted before shipment is made. If a scheduled inspection is delayed by the Buyer, the delivery schedule will be extended accordingly. Buyer's representative(s) may be required to sign a Non-Disclosure Agreement before entering any of Stream-Flo's facilities or vendor's facilities. In the event Buyer desires physical access to any of Stream-Flo's facilities, Buyer agrees to indemnify, defend and hold harmless Stream-Flo, its affiliates and subsidiaries from and against any and all liabilities, claims and causes of action for personal injury, death or property damage occurring on or to such property as a result of Buyer's entry onto the premises. In addition, Buyer agrees to comply fully with all rules, regulations and instructions issued by Stream-Flo regarding Buyer's actions while upon, entering or leaving any of Stream-Flo's facilities.

Payment: Buyer shall pay Stream-Flo invoices within twenty eight (28) days of the date of receipt of invoice. If payment of an invoice is not received by Stream-Flo within twenty eight (28) days of the date of receipt of invoice, Stream-Flo reserves the right to recover interest for late payment at a rate of 24% per annum.

Taxes: All taxes, duties, and/or fees that are payable or may become payable under any laws or regulation with respect to the sale, purchase, shipment, delivery, storage, use, consumption or transportation of the goods may be added to the invoice and in any event will be paid by the Buyer.

Export Requirements: If requested by Stream-Flo, the Buyer will provide Stream-Flo with the identity of the end-user and country of end-use information with respect to the products/services provided by Stream-Flo. The Buyer will comply with Canadian, U.S. or other applicable export control regulations and expressly assumes responsibility for determining any applicable export or re-export licensing requirements, obtaining any required export or re-export license authority, and complying with all applicable export clearance requirements associated with any export or re-export of the products/services received from Stream-Flo. Buyer shall not export, re-export, sell, lease, transfer, transship or otherwise assign the rights to the products/service provided by Stream-Flo to any person who is prohibited from receiving the products/services under applicable law, including without limitation any individual or entity that is (i) blocked or otherwise the subject of sanctions under applicable law; or (ii) engaged in or likely to use the products/services provided by Stream-Flo in the production of biological, nuclear or chemical weapons of any kind. **Buyer shall not otherwise take any action that will cause Stream-Flo to violate Canadian, U.S. or other applicable export control laws and regulations.**

Order Approval: All orders, shipments, and settlements are subject to approval by the Treasurer of Stream-Flo. Should the Buyer fail to fulfill the terms of payment for any order, Stream-Flo may defer further shipment until such payments are made or may cancel any or all orders unshipped. Stream-Flo reserves the right to require from the Buyer satisfactory security for performance of the Buyer's obligations under any order placed with Stream-Flo, and refusal or failure to furnish such security will entitle Stream-Flo to suspend shipment until such security is furnished or to cancel the order, or orders, or the unshipped portions thereof.

Cancellation and Returns: Buyer may not return and/or cancel any product order without the prior written consent of a Stream-Flo Manager for the applicable product group. Products returned and/or cancelled without such prior written consent will not be accepted. Stream-Flo reserves the right, in its sole discretion, to refuse the return and/or cancellation of any product order. Product orders that are returned and/or cancelled with the consent of Stream-Flo will be subject to a restocking fee and/or cancellation charge in an amount to be determined by Stream-Flo in its sole discretion.

Quality and Testing: Materials will be subject to Stream-Flo's standard manufacturing practices and classifications. Stream-Flo reserves the right to change specifications at any time without incurring obligation for equipment previously or subsequently sold.

Warranty: Stream-Flo warrants goods of its own manufacture against defects in material and workmanship when goods are used and/or operated and/or stored and/or serviced in accordance with prudent oilfield practices and Stream-Flo's written instructions for a period of 12 months from the date the goods are first used in commercial operation or 18 months from the date of shipment, whichever comes first. The Buyer will promptly notify Stream-Flo of any issue relating to the goods and/or service and Stream-Flo will promptly investigate the issue and direct the Buyer on how to proceed. Stream-Flo will warrant rectified goods or replacement components for one period only of 12 months, unless a longer warranty applies. Due to the unique nature of its goods, repair of defective goods may only be made by Stream-Flo or by a Stream-Flo approved service representative. Stream-Flo will not be liable for resulting expenses should the Buyer

choose to repair or replace goods purchased from Stream-Flo. Use of a third party to repair or replace the goods will invalidate this warranty. STREAM-FLO'S LIABILITY IS LIMITED AS ABOVE SET FORTH AND THE REMEDY PROVIDED HEREIN FOR THE BUYER IS THE SOLE REMEDY AND RECOURSE AVAILABLE TO THE BUYER AS AGAINST STREAM-FLO FOR DEFECTS IN MATERIAL OR WORKMANSHIP TO THE GOODS SOLD. NO WARRANTY EITHER EXPRESS OR IMPLIED IS MADE BY STREAM-FLO AS TO THE FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, CONDITION, CAPACITY OR EFFICIENCY FOR ANY GOODS SOLD.

If a Stream-Flo service technician is dispatched to the Buyer's site to make repairs, THE BUYER will pay the costs of that service call, if the goods are returned to Stream-Flo's facility for inspection and/or repair, the Buyer will send such goods on a freight pre-paid and duty-paid basis and indemnify Stream-Flo for all costs in connection therewith. Stream-Flo will not be responsible for costs related to rig stand-by time, lifting, re-installation, nor transportation of goods or personnel between any remote location of the goods and the agreed upon staging area. Costs for providing any temporary equipment to replace defective goods for testing, commissioning or operating will be borne by the Buyer. If it is determined that goods returned for warranty work are not eligible for coverage under warranty, the Buyer will be responsible for all costs of completed repairs. No goods may be returned for repair or replacement pursuant to this warranty except by special arrangement, confirmed in writing by Stream-Flo. Goods returned for repair or replacement without permission will be placed into Stream-Flo's "Customer Property" division at Buyer's sole cost and risk.

Liability: The Buyer will hold Stream-Flo Group harmless and indemnify Stream-Flo Group from, for and against any and all claims, demands, liabilities, lawsuits or actions for damages and expenses, including legal costs on a solicitor and his own client full indemnity basis, arising out of or relating to goods or services provided by Stream-Flo unless caused by the gross negligence or intentional misconduct of Stream-Flo Group. The Buyer will not claim against the Stream-Flo Group (and no member of the Stream-Flo Group shall be liable) for labor, direct or indirect expenditures or losses, economic or consequential damages (including loss of profits) or punitive damages resulting from the purchase or use of the goods and/or services of Stream-Flo howsoever caused. Notwithstanding any other provisions in the contract, the Buyer agrees that the liability of the Stream-Flo Group, whether in contract, tort or any other legal theory, will be limited to a maximum of 100% of the product value supplied by Stream-Flo and paid for under the contract and Buyer shall release and indemnify Stream-Flo Group from all amounts and liability in excess of the stated limitation. "Stream-Flo Group" is defined as Stream-Flo, its subsidiary and affiliated companies and insurers and its/their respective officers, directors, employees and agents. Stream-Flo acts as agent of each other member of the Stream-Flo Group to extend to each the benefit of this paragraph.

General: Failure of Stream-Flo to enforce any of these Terms and Conditions or to exercise any right occurring through the default of the Buyer will not constitute a waiver or acceptance of other or future defaults of the Buyer. These Terms and Conditions are subject to change from time to time by Stream-Flo. All statements and/or recommendations made by Stream-Flo to the Buyer in relation to the purchase or use of Stream-Flo's goods and services are made on the basis of information provided by the Buyer, and should such information be incorrect, incomplete or otherwise deficient, Stream-Flo will not be liable for any claims of any kind by the Buyer.

The United Nations Convention on Contracts for the International Sale of Goods shall not apply to the contract.

Arbitration: If any disputes arise out of or in connection with the contract, including any question regarding its existence, validity or termination, either party may refer the dispute to arbitration to be resolved in the following manner:

The place of arbitration shall be Edmonton, Alberta, Canada. The language of the arbitration shall be English. The arbitration shall be commenced by a written request for arbitration by the claimant delivered to the respondent and shall set out the nature of the claim(s) and the relief requested. Within twenty (20) days after receipt by the other party of a request for arbitration, the parties shall each appoint an Arbitrator and by notice to the other, advise that other of the name and appointment of the Arbitrator so named. If either party shall refuse or neglect to appoint its Arbitrator within said period, the Arbitrator first appointed shall proceed as sole Arbitrator to determine the matter in dispute. If the two Arbitrators are so appointed within the time prescribed, they shall together agree upon and appoint a third Arbitrator who shall be chairperson and the three Arbitrators shall constitute the Arbitration Tribunal. In the event the two Arbitrators fail within fifteen (15) days following the date of the appointment of the later of the two of them to be appointed to agree upon a third Arbitrator, either party may apply to the Court of Queen's Bench of Alberta to appoint a third Arbitrator and the Arbitrator so appointed shall be the third Arbitrator and chairperson. Notwithstanding the foregoing, the parties to the arbitration may unanimously agree in writing to appoint a single arbitrator to constitute the Arbitration Tribunal.

The three Arbitrators or the single Arbitrator, as the case may be, shall arbitrate the dispute, shall be the masters of their procedure, and the ruling made by the Arbitrator or the majority of the three Arbitrators, as the case may be (or if there is no majority ruling, then the ruling of the third Arbitrator as chairperson), shall be final and binding upon the parties.

Each party shall pay the fees and expenses of the Arbitrator appointed by it and the fees and expenses of the third Arbitrator shall be paid by the party against whom the arbitration award is made unless otherwise determined by the Arbitration Tribunal.

The Arbitrators shall be independent and qualified by experience or training or both to decide the issue(s) in dispute.

If the arbitrator appointed by a party fails or refuses to participate, the other two arbitrators may proceed with the arbitration and make an award if they determine that the failure or refusal to participate is unjustified.

Enforcement of any arbitration award may be sought in any court of competent jurisdiction. The parties to the arbitration agree to attorn to the jurisdiction of the courts of the Province of Alberta. Except as otherwise provided in this clause, the provisions of the *Arbitration Act* (Alberta) shall apply to the arbitration.

Entire Agreement: The contract is the entire agreement between Stream-Flo and the Buyer and supersedes all prior negotiations, statements, proposals, inquiries, commitments and agreements, whether written or oral, pertaining to this contract or its subject matter. There are no understandings or agreements between Stream-Flo and the Buyer relative hereto which are not fully expressed in the contract.

Governing Law: The provisions herein contained will be interpreted and governed by and according to the laws of the Province of Alberta, Canada.