

## TERMS & CONDITIONS

### TERMS AND CONDITIONS OF FLOW MEASUREMENT SERVICES PURCHASE ORDERS

#### ACKNOWLEDGEMENT

Prompt acknowledgment is required with delivery information. Any acceptance or acknowledgment of this purchase order by Seller shall be expressly limited to the terms and conditions of this purchase order. The obligations of Flow Measurement Services. (Hereinafter called the "Purchaser") shall be limited to those set forth in this purchase order or agreed to in writing or writings signed by duly authorized representatives of the Purchaser. Notwithstanding any acceptance or acknowledgment sent by Seller containing additional or different terms and conditions, performance by Seller shall be deemed an acceptance of the terms and conditions hereof.

#### PRICES

Seller warrants that the prices named herein for the goods or work covered by this purchase order are the lowest prevailing market prices. The seller agrees that any price reduction made with respect to goods or work covered by this purchase order subsequent to the placement of this purchase order shall be applicable to this purchase order. Except with the Purchaser's written approval, no charge will be made for packing or boxing and no price increase and no charges in addition to those shown herein will be made.

#### DISCOUNTS

Discounts are to be calculated from the date invoices are received in proper form. Unless otherwise agreed, invoices are payable within thirty days after their receipt or delivery of materials or completion of work, whichever last occurs.

#### SHIPMENTS

Seller shall suitably pack, mark, and ship in accordance with any instructions from Purchaser and the requirements of common carrier to secure the lowest transportation costs. Seller shall be liable for any difference in freight charges or damage to the goods resulting directly or indirectly from any failure by the Seller to comply herewith. No partial shipments or alterations of shipment without Purchaser's written authorization.

#### DELIVERY

Notwithstanding any agreement to pay freight or transportation charges or to make payments or advances on account delivery of the goods shall not be complete until the goods are actually received and accepted by Purchaser as complying with the terms and conditions hereof and performance of work shall not be complete until accepted by Purchaser as complying with the terms and conditions hereof. All risk of loss or damage until so accepted shall be on Seller.

#### QUALITY

All goods are subject to inspection by the Purchaser at all times, including, where practicable, during manufacture. Inspection and approval by Purchaser at Seller's facility shall not preclude rejection for defects upon discovery by subsequent inspection. This provision includes means to prevent and/or detect Counterfeit, Fraudulent or Suspect Items (CFSI). Seller shall bear the cost of inspection and any transportation cost for the return of goods found to be defective.

WARRANTY Seller warrants that the goods and or work shall conform to the description and applicable specification and samples, shall be of good merchandise quality and fit for the known purpose for which sold and shall be free and clear of all liens and encumbrances. This is in addition to any warranty or service guarantee given by Seller to Purchaser or implied by law. Seller shall comply with all federal, provincial and local laws, regulations and orders applicable to the purchase, manufacture, processing and delivery of the goods or to the performance of the work. Seller agrees to indemnify and save Purchaser harmless at all times from and against all claims, liabilities, losses, damages and expenses incurred or sustained by Purchaser directly or indirectly by reason of any breach of the provisions hereof.

#### TAXES

Unless otherwise agreed, Seller shall pay all taxes applicable hereto.

#### STATE SALES TAX

If materials are purchased EXEMPT, the following STATE Sales Tax license is applicable:

#### INVOICES

Commercial Invoices in duplicate showing our order number must be supplied.

#### CUSTOMS INVOICES

Must be supplied in quintuplicate as per USA Customs requirements. Must be mailed on the day of shipment.

#### PATENTS, TRADEMARKS, ETC.

Seller warrants that the use or sale of the goods purchased hereunder will not infringe any patent, trademark or copyright. Seller agrees to defend at Seller's own risk and expense all suits, actions and proceedings brought against the Purchaser for actual or alleged infringement of any patent, trademark or copyright resulting from the use or sale of goods

purchased hereunder. Seller agrees to pay and discharge all judgements and assessments which may be rendered in such suits, actions and proceedings against the Purchaser.

## LIABILITY

Seller shall;

(a) be liable for and shall indemnify and save harmless the Purchaser of and from all manner of actions, causes of action, proceedings, claims, demands, losses, costs, damages and expenses whatsoever which may be brought against or made the Purchaser of which the Purchaser may sustain, payor incur as a result of or in connection with the performance, purported performance or non-performance of this purchase order of the work hereunder by the Seller or subcontractors thereof and regardless of whether the same result from or in connection with the use by the Seller or subcontractors thereof of any machinery, tools or equipment belonging to the Purchaser, or from in connection with the negligence or willful acts of omissions of the Purchaser, its servants, agents, employees or its other contractors.

(b) at all times payor cause to be paid any assessment or contributions required to be paid pursuant to the Worker's Compensation Act of each province in which the work is to be performed and upon failure to do so the Purchaser, in addition to any other rights reserved to it under this contract, may retain the amount of such assessment or contribution from any payment then due or to become due to the Seller under this contract. Before commencement of the work under this contract the Seller shall deliver to the Purchaser at the office from which the work is being supervised, certificates from the relevant Worker's Compensation Board that all assessments and contributions payable to the relevant Worker's Compensation board have been paid by the Seller and his subcontractor and before final payment is made by Purchaser, the Seller shall deliver similar certificates to the Purchaser with his application for final payment.

## OWNERSHIP

Ownership of and all rights with respect to any work purchased under this order including all creative ideas incorporated therein, all preliminary materials, sketches, layouts, negatives, photographs, designs, blueprints, or specifications relating thereto, shall be vested exclusively in the Purchaser. The Purchaser may copy or reproduce all materials purchased hereunder for all purposes and may use the same in all media.

## CANCELLATION

The Purchaser may at its option and without liability to the Seller cancel, suspend or curtail at any time or times, whether before or during performance, the whole or any portion of this purchase order. In the event (a) the seller fails to perform in accordance with the terms and conditions hereof, including, without limitation, failure to deliver on or before the required delivery date specified on the face hereof, (b) the Seller ceased to conduct its business in the normal course, (c) any proceeding under any bankruptcy or insolvency laws is brought by or against the Seller, (d) a receiver of Seller is appointed or applied for, or (e) an assignment for the benefit of creditors is made by the Seller. If none of such events shall have occurred, the Purchaser may still at its option cancel, suspend, or curtail at any time or times, whether before or during performance, the whole or any portion of this purchase order provided that if none of the said events shall have occurred and the Purchaser shall have exercised its said option, then the Purchaser shall be liable to pay to the Seller the amount if any then due to the Seller hereunder in connection with the purchase order or such portion thereof as the case may be plus such amount, if any, as the Seller is required

to pay by way of cancellation of any commitments made by the Seller in anticipation of performing this purchase order or such portion thereof, as the case may be. The Purchaser may exercise its said option by giving less than 24 hours prior notice to the Seller. Except as provided in this clause the Purchaser shall be under no liability to the Seller for cancelling, suspending or curtailing this purchase order or any portion of this purchase order.

#### HEALTH & SAFETY

Seller agrees to provide safe equipment for the conduct of the Services and to provide and perform the Services safely and in accordance with applicable Laws relating to employment standards and occupational health and safety with regard to the protection of persons or property. Seller recognizes that it has been provided with the opportunity to review the Purchaser's health and safety rules and policies applicable at the site locations and the Seller shall comply with, and ensure its employees and subcontractors comply with these rules and policies when present or conducting work at or in conjunction with a Purchaser's workplace or facility. The Seller shall not bring, use, store, or dispose of any hazardous materials at or on the Purchaser's site without the Purchaser's prior written approval.

#### GENERAL

This contract shall not be assigned or sublet by the Seller without the prior written consent of the Purchaser. This contract shall be construed in accordance with the laws of the United States.