



**CARBICRETE INC.  
PURCHASE ORDER TERMS AND CONDITIONS**

These purchase order terms and conditions (the “Terms”) cover the manufacture and supply of all goods and products (“Products”) specified on the face of the applicable purchase order (each, a “Purchase Order”) between CarbiCrete Inc. (“CarbiCrete”) and the party to whom the purchase order is addressed (“Supplier”) (the Terms together with the Purchase Order(s), collectively, the “Agreement”). These Terms shall also apply to any replacement or repaired Products provided by Supplier hereunder. Unless otherwise set out in a Purchase Order, CarbiCrete is not obligated to any minimum purchase or future purchase obligations under the Agreement.

This Agreement, together with any documents incorporated herein by reference, constitutes the sole and entire agreement of the parties with respect to the Purchase Order(s), and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral, with respect to the subject matter of the Purchase Order(s). In case of any conflict between the Terms and a Purchase Order, the terms set out in the Purchase Order shall prevail. This Agreement expressly limits Supplier’s acceptance to the terms set forth in the Agreement. These Terms prevail over any terms or conditions contained in any other documentation and expressly exclude any of Supplier’s general terms and conditions of sale or any other document issued by Supplier in connection with this Agreement.

1. **Manufacture, Purchase and Sale.** Subject to the terms and conditions of this Agreement, CarbiCrete shall purchase the Products from Supplier, and Supplier shall manufacture and sell the Products to CarbiCrete, at the Prices.  
**shipping documents, including the commercial invoice, packing list, air waybill/bill of lading and any other documents necessary to release the Products to CarbiCrete within 3 days after Supplier delivers the Products to the transportation carrier. The Purchase Order reference number must appear on all shipping documents, shipping labels, bills of lading, air waybills, invoices, correspondence and any other documents pertaining to the Purchase Order.]**
2. **Acceptance.** A Purchase Order is not binding on CarbiCrete until Supplier accepts the Purchase Order in writing or starts to perform in accordance with the Purchase Order. If Supplier does not accept the Purchase Order in writing or provide written notice that it has commenced performance within 10 days of Supplier’s receipt of the Purchase Order, this Agreement will lapse.
3. **Delivery.** Supplier shall deliver the Products in the quantities and on the date(s) specified in the Purchase Order or as otherwise agreed in writing by the parties (the “Delivery Date”). Timely delivery of the Products is of the essence. If Supplier fails to deliver the Products in full on the Delivery Date, CarbiCrete may terminate the Purchase Order immediately by providing written notice to Supplier.
4. **Delivery Location.** All Products shall be delivered to the address specified in the Purchase Order (the “Delivery Location”) during CarbiCrete’s normal business hours or as otherwise instructed by CarbiCrete.
5. **Shipping Terms.** Delivery shall be made in accordance with INCOTERMS 2020 in the Purchase Order. **[Supplier shall give written notice of shipment to CarbiCrete when the Products are delivered to a carrier for transportation. Supplier shall provide CarbiCrete all**
6. **Language.** It is the express wish of the parties that this Agreement and all related documents, including notices and other communications, be drawn up in the English language only. *Il est la volonté expresse des parties que cette convention et tous les documents s’y rattachant, y compris les avis et les autres communications, soient rédigés et signés en anglais seulement*
7. **Packaging.** All Products shall be packed for shipment according to CarbiCrete’s instructions or, if there are no instructions, in a manner sufficient to ensure that the Products are delivered in undamaged condition and in accordance with applicable law and industry standards. Supplier shall provide CarbiCrete with shipment documentation showing the Purchase Order reference number, the quantity of pieces in the shipment, the number of cartons or containers in the shipment, Supplier’s name, the bill of lading number and the country of origin. Supplier must provide CarbiCrete prior written notice if it requires CarbiCrete to return any

packaging material. Any return of such packaging material shall be made at Supplier's sole cost and expense.

- 8. Amendment and Modification.** No change to this Agreement is binding upon CarbiCrete unless it is in writing, specifically states that it amends this Agreement and is signed by an authorized representative of CarbiCrete.
- 9. Inspection and Rejection of Non-Conforming Products.** CarbiCrete has the right to inspect the Products on or after the Delivery Date and may reject all or any portion of the Products if it determines the Products are non-conforming or defective. If CarbiCrete rejects any portion of the Products, CarbiCrete has the right, effective upon written notice to Supplier, to: (a) rescind the Purchase Order in its entirety; (b) accept the Products at a reasonably reduced price; or (c) reject the Products and require replacement of the rejected Products. Any inspection or other action by CarbiCrete under this Section shall not reduce or otherwise affect Supplier's obligations under the Agreement, and CarbiCrete shall have the right to conduct further inspections after Supplier has carried out its remedial actions.
- 10. Price.** The price of the Products is the price stated in the Purchase Order (the "Price"). No increase in the Price is effective, whether due to increased material, labour, currency exchange or transportation costs or otherwise, without the prior written consent of CarbiCrete.
- 11. Payment Terms.** Supplier shall issue an invoice to CarbiCrete on or any time after the completion of delivery of the Products and only in accordance with the Terms. CarbiCrete shall pay all properly invoiced amounts due to Supplier as set out on the face of the Purchase Order or, if the Purchase Order is silent on the payment terms, within 60 days after CarbiCrete's receipt of such invoice, except for any amounts disputed by CarbiCrete in good faith.
- 12. Set-Off.** Without prejudice to any other right or remedy it may have, CarbiCrete reserves the right to set off at any time any amount owing to it by Supplier against any amount payable by CarbiCrete to Supplier under the Purchase Order(s).
- 13. Representations and Warranties.** The Supplier represents and warrants to CarbiCrete that: (i) Supplier is a corporation, duly incorporated, organized and in good standing under the laws of its jurisdiction; (ii)

Supplier has the full right, power and authority to enter into the Agreement; (iii) Supplier has all the rights necessary to provide the services contemplated under this Agreement; (iv) Supplier and its employees have the necessary knowledge, experience, and skills to perform the services contemplated under this Agreement; and (v) the services contemplated under this Agreement will be performed in a competent and professional manner.

- 14. Product Warranty.** In addition to any specific warranty set out in the Purchase Order, Supplier represents and warrants to CarbiCrete that for a period of 3 years from the Delivery Date, all Products will: (a) be free from any defects in workmanship, material and design (including without limitation, any leakages or paint peeling); (b) conform to applicable specifications and other requirements specified by CarbiCrete; (c) be fit for their intended purpose and operate as intended; (d) be merchantable; (e) be free and clear of all liens, security interests or other encumbrances; and (f) not infringe or misappropriate any third party's patent or other intellectual property rights. These warranties survive any delivery, inspection, acceptance or payment of or for the Products by CarbiCrete. These warranties are cumulative and in addition to any other warranty provided by law or equity. Any applicable statute of limitations runs from the date of CarbiCrete's discovery of the non-compliance of the Products with the foregoing warranties. If CarbiCrete gives Supplier notice of non-compliance with this Section, Supplier shall, at its own cost and expense, promptly replace or repair the defective or non-conforming Products and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or non-conforming goods to Supplier and the delivery of repaired or replacement Products to CarbiCrete.

- 15. Indemnification.** Supplier shall defend, indemnify and hold harmless CarbiCrete, its affiliates, successors and assigns, and its and their respective directors, officers, shareholders and employees and CarbiCrete's clients (collectively, "Indemnitees") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost or expense (including reasonable legal and professional fees and costs and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers) (collectively, "Losses") relating to, arising out of or occurring in connection with (a) the Products purchased, (b) Supplier's negligence, willful misconduct or breach of the Terms (including any breach of representation or warranty), and (c) and third

party claim that CarbiCrete's or Indemnitee's use or possession of the Products infringes or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party. Supplier shall not enter into any settlement without CarbiCrete's or Indemnitee's prior written consent.

- 16. Insurance.** During the term of this Agreement and for a period of 3 years thereafter, Supplier shall, at its own expense, maintain and carry insurance in full force and effect which includes, but is not limited to, commercial general liability (including product liability) in a sum that is generally deemed adequate for Supplier's business with financially sound and reputable insurers. Upon CarbiCrete's request, Supplier shall provide CarbiCrete with a certificate of insurance from Supplier's insurer evidencing the insurance coverage specified in this Agreement.
- 17. Compliance with Law.** Supplier is in compliance with and shall comply with all applicable laws, regulations and ordinances. Supplier has and shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Agreement. Supplier shall comply with all export and import laws of all countries involved in the sale of Products under this Agreement.
- 18. Limitation of Liability.** Nothing in this Agreement shall exclude or limit (a) Supplier's liability under Sections 14, 15, 20 and 21 or (b) Supplier's liability for fraud, personal injury or death caused by its negligence or willful misconduct.
- 19. Termination.** CarbiCrete may terminate this Agreement (or any Purchase Order thereunder), in whole or in part, at any time with or without cause for undelivered Products on 5 days' prior written notice to Supplier. In addition to any remedies that may be provided under these Terms, CarbiCrete may terminate this Agreement (or any Purchase Order thereunder) with immediate effect upon written notice to the Supplier, either before or after the acceptance of the Products, if Supplier has not performed or complied with any of these Terms, in whole or in part. If the Supplier becomes insolvent, is generally unable to pay, or fails to pay, its debts as they become due, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, arrangement or assignment for the benefit of creditors, then CarbiCrete may terminate this Agreement (or any Purchase Order thereunder) upon written notice to

Supplier. If CarbiCrete terminates this Agreement (or any Purchase Order thereunder) for any reason, Supplier's sole and exclusive remedy is payment for the Products received and accepted by CarbiCrete prior to the termination.

- 20. Intellectual Property.** CarbiCrete retains any and all rights, title and interest (including all intellectual property rights) in and to: (i) the Products, including any enhancements, upgrades or other modifications to the Products; (ii) the CarbiCrete Intellectual Property; (iii) the documentation relating to any of the foregoing; (iv) all registered or unregistered trademarks of CarbiCrete; and (v) all intellectual property rights related to any of the foregoing. Supplier will acquire no rights or licenses to any CarbiCrete property unless otherwise expressly provided in the Agreement. CarbiCrete shall own all rights, title and interest in and to any suggestions, requests or recommendations for improvements or enhancements to the Products that Supplier may, alone or jointly with CarbiCrete, propose or make in connection with this Agreement (collectively, "**Feedback**"). Supplier hereby irrevocably (i) assigns all rights, title and interest in and to the Feedback to CarbiCrete; and (ii) waives in favour of CarbiCrete, its successors and assigns any and all moral rights that Supplier has or may have in the Feedback in each jurisdiction throughout the world, to the fullest extent that such rights may be waived in each respective jurisdiction. For the purposes of this Agreement, "**CarbiCrete Intellectual Property**" means all intellectual property developed by or first conceived or reduced to practice by CarbiCrete, its affiliates, its licensors or by any third party on CarbiCrete's behalf (i) prior to, or independent of the performance of the services contemplated under this Agreement (including without limitation the Products) ; (ii) with respect to the design, manufacture of, or for incorporation into, the Products, that are either developed by CarbiCrete alone, by CarbiCrete and Supplier jointly or by Supplier alone as requested by CarbiCrete in connection with this Agreement.
- 21. Confidential Information.** All non-public, confidential or proprietary information of CarbiCrete, including, but not limited to, the Agreement and any other order for Products, and any specifications, samples, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates disclosed by CarbiCrete to Supplier, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated

or otherwise identified as “confidential,” in connection with this Agreement is confidential, solely for the use of performing the Purchase Order and may not be disclosed to anyone (except to Supplier’s employees subject to confidentiality provisions equally as stringent as those set forth herein) or copied by Supplier unless authorized by CarbiCrete in writing. Upon CarbiCrete’s request, Supplier shall promptly return all documents and other materials received from CarbiCrete. CarbiCrete shall be entitled to injunctive relief for any violation of this Section. Notwithstanding the foregoing, in the event the parties have entered into a non-disclosure agreement with respect to the matters contemplated under this Agreement (the “NDA”), the terms of such NDA shall be incorporated herein by reference and shall take precedence over the terms of this Section. For greater certainty, the terms of such NDA shall remain in effect for the duration of this Agreement and shall survive any termination or expiration of this Agreement in accordance with Section 27.

**22. Force Majeure.** Neither party shall be liable to the other for any delay or failure in performing its obligations under this Agreement to the extent that such delay or failure is caused by an event or circumstance that is beyond the reasonable control of that party, without such party’s fault or negligence, and which by its nature could not have been foreseen by such party or, if it could have been foreseen, was unavoidable (“Force Majeure Event”). Force Majeure Events include, but are not limited to, acts of God or the public enemy, government restrictions, floods, fire, earthquakes, explosion, government-mandated war, invasion, hostilities, terrorist acts, riots, strike, embargoes or industrial disturbances. Supplier’s economic hardship or changes in market conditions are not considered Force Majeure Events. Supplier shall use all diligent efforts to end the failure or delay of its performance, ensure that the effects of any Force Majeure Event are minimized and resume performance under this Agreement. If a Force Majeure Event prevents Supplier from carrying out its obligations under this Agreement for a continuous period of more than 30 days, CarbiCrete may terminate this Agreement (or any Purchase Order thereunder) immediately by giving written notice to Supplier.

**23. Waiver.** No waiver by CarbiCrete of any of the provisions of this Agreement shall be effective unless explicitly set forth in writing and signed by CarbiCrete. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor

shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

**24. Assignment.** Supplier shall not assign, transfer, delegate or subcontract any of its rights or obligations under this Agreement without the prior written consent of CarbiCrete. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment or delegation shall relieve the Supplier of any of its obligations hereunder. CarbiCrete may at any time assign, transfer or subcontract any or all of its rights or obligations under this Agreement without Supplier’s prior written consent to any affiliate or to any person acquiring all or substantially all of CarbiCrete’s assets.

**25. Relationship of the Parties.** The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

**26. Governing Law; Jurisdiction.** This Agreement will be governed by, interpreted and construed in accordance with the laws of the Province of Québec, Canada and the laws of Canada applicable therein, other than rules governing conflicts of laws. Each of the parties agrees that any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be submitted to the exclusive jurisdiction of the courts of the Province of Québec, Canada (district of Montréal). The foregoing choice of jurisdiction and venue shall not prevent either party from seeking injunctive relief with respect to a violation of intellectual property rights, confidentiality obligations or enforcement or recognition of any award or order in any appropriate jurisdiction. The Parties expressly disclaim applicability of the terms of the *United Nations Convention of Contracts for the International Sale of Goods* and any legislation implementing such Convention will not apply to this Agreement nor to any dispute arising therefrom.

**27. General.** The rights and remedies under this Agreement are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise. If any of the provisions contained in this Agreement are found by a court of



competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not be in any way affected or impaired hereby. Provisions of this Agreement which by their

nature should apply beyond their terms will remain in force after any termination or expiration of this Agreement including, but not limited to, Sections 13, 14, 15, 16, 18, 20, 21, 26 and 27.

#### **ACCEPTANCE**

By signing below, Supplier acknowledges having read the terms of this order, including the Purchase Order Terms and Conditions attached hereto which form an integral part of this order, understands such terms and agrees to be bound by such terms.