

VALIDITY OF PROPOSAL

The prices indicated in this proposal are valid for a period of 30 days. Pricing may vary at time of order placement due to unpredictable supply chain fluctuations and may be subject to revision. Pricing and lead time to be confirmed upon placement of order.

PROVINCIAL PARTITIONS LTD. STANDARD PAYMENT TERMS

- 40% upon placement of order (includes General Arrangement Drawing), Net 0
- 50% upon Notification of Readiness to Ship/Substantial Completion of Installation, Net 0
- 10% once Shipped/Completion of installation, Net 30
- Price quoted does not include participation of Provincial Partitions Ltd. in any penalty clause involved in the buyer's contract with his/her customer.
- All payments to be EFT/wire transferred, via Credit Card or company cheques, unless discussed prior to placement of order.
- Additional progress billing may be applicable on projects over \$ 50,000.00, to be discussed prior to placement of order.
- *Provincial Partitions Ltd. warrants the right to modify payment terms, refer to proposal for term clarification.*

INDEMNITY/HOLD HARMLESS

Customer / Purchaser ("Sold To" and/or "Ship To" party or parties) will hold harmless and indemnify Seller, Provincial Partitions Ltd. (including its affiliates, its employees, or any third party under its control or supervision) against any and all claims arising out of this agreement, including without limitation, expenses, judgements, fines, settlements and other amounts actually and reasonably incurred in connection with any liability, suit, action, loss, or damage arising or resulting from Seller's participation in this agreement. This indemnification does not include indemnification of Seller against a claim caused by the negligence or fault of Seller, its employees, or any third party under the control or supervision of Seller, other than Customer / Purchaser or its agents, employees or subcontractors.

The terms and conditions of this (the Seller's) Proposal prevail over any terms and conditions in any other documentation and expressly exclude any of Customer's / Purchaser's ("Sold To" and/or "Ship To" party or parties) terms and conditions or any other document issued by Customer / Purchaser, its affiliates and customers in connection with the aforementioned sale / shipment including but not limited to engineering designs, manufactured products and rendered services.

END USER FOUNDATION DESIGN

All Provincial Partitions Ltd. enclosures are designed to be positioned on level foundation, piers, structure, or acceptable equivalent. In the event any of the above are not level, it is the responsibility of the general/site contractor to level the enclosure using leveling shims or acceptable equivalent. If a mezzanine part of project scope the customer will be responsible to ensure that the concrete is able to withstand the point loads of the mezzanine columns.

CANCELLATION CHARGES

Project cancellation fees will be charged on all equipment, engineering and administration that are cancelled after the receipt of the purchase order. Cancellation fees are noted below:

- 10% of order value after Purchaser Order is issued to Provincial Partitions Ltd.
- 50% of order value after submittal of approval drawings.
- 75% of order value after approval of drawings/submittals.
- 100% of order (1) week after drawing approval.

STORAGE

Due to limited facility space, Provincial Partitions Ltd. cannot always accommodate the purchasers request for storage in the event of end user site delays. Purchaser storage requests will be reviewed as requested, and when possible, to accommodate the purchaser's request, Provincial Partitions Ltd. will exercise the following:

- Invoice 100% at contractual delivery date and Invoice for storage cost at \$3000.00 per month, per enclosure/project components.
- The storage time period is limited to a maximum of three months. When the delay expires, the project will be shipped as per purchaser's instruction.

FREIGHT COSTS

All Provincial Partitions Ltd. commercial terms are FOB, Provincial Partitions Ltd. plant of manufacture. The customer is solely responsible for arranging all freight, inclusive of route surveys, escorts, utilities, delivery site cranes, proper equipment, driver, freight payment terms, insurance and freight/customs paperwork.

Provincial Partitions Ltd. is not responsible for delays or cost over-runs based on permitting and/or load requirements or weather delays. Provincial Partitions Ltd. does not guarantee arrival of shipment(s) at a certain hour or date, under any circumstances. Provincial Partitions Ltd. will not be responsible for back charges if a crane needs to be rescheduled at point of offloading due to unforeseen delivery delays as mentioned above. System 40™/ System 48™ demountable modular wall system/Mezzanines/Wire Partitions/Components only are covered under parameters stated above unless proposal states otherwise.

SALES TAXES

All taxes and/or duties are not included in the pricing presented and are extra where applicable.

ACCEPTANCE

PROVINCIAL PARTITIONS LTD. STANDARD COMPONENTS

Provincial Partitions Ltd. employs a library of standard components during the cost proposal, design and manufacture of its various product lines. Components are selected based on a number of factors such as (but not limited to) project type, specification requirements, reliability, durability, ease of integration/maintenance, availability, and cost effectiveness. Alternative customer requested selections will be subject to any possible cost increases that may occur due to component substitution.

CONCEPTUAL DRAWINGS

Conceptual drawings requested prior to the submittal of the purchasers General Arrangement drawings (GA) are to be used as a **visual reference only**. These conceptual drawings, specifications or layouts should not be used as engineered solutions or assumed as the final design by the Purchaser or any 3rd party contractor. All conceptual drawings presented to the Purchaser during the quotation/applications phase are subject to change during the detailed engineering phase. Provincial Partitions Ltd. will not be responsible for any outcomes derived from the use of conceptual drawings.

ENGINEERING DRAWING APPROVAL (if applicable)

The design approval package will be submitted to the Purchaser for review and approval prior to engineering release. All drawings will be supplied on Provincial Partitions Ltd. Title Block. The approval drawing package would typically include general arrangement layout drawings and electrical layout. Provincial Partitions Ltd. provides the purchaser two (2) revisions of the drawing approvals at no extra charge for engineering. Any revisions required after the allocated two (2) revisions are subject to a minimum \$1250.00 fee per engineering change. All approval drawings will be sent via email in PDF format unless otherwise arranged between Provincial Partitions Ltd. and the Purchaser. All approval drawings returned via email must contain either the legal electronic signature of an authorized representative of the Purchaser’s company or be contained in an email from an authorized representative of the Purchaser stating that the attached drawings are approved or approved as noted. Each correspondence must contain exact reference to the drawing submitted including revision number.

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PROJECT SCHEDULE

Provincial Partitions Ltd. closely monitors schedules throughout the duration of a project. These schedules allow the Provincial Partitions Ltd. operations team to develop a plan, assign resources to tasks, track progress, manage budgets and analyze workloads.

CUSTOMER CHANGE REQUEST POLICY (CCR)

Purchaser requests for changes in functionality, scope or changes in general specifications after the Purchase Order acknowledgment have been signed and submitted must be made in writing to the Provincial Partitions Ltd. project manager for initial impact assessment. Provincial Partitions Ltd. will provide the Purchaser with a Provincial Partitions Ltd. Customer Change Request or revised proposal to initiate the request for change. All project CCR’s will be required to be resolved (either approved or rejected by Purchaser) before Purchasers’ equipment/material is/are shipped from Provincial Partitions Ltd. plant of manufacture. All project CCR’s will be billed to the Purchaser at time of CCR approval, payment required in full Net 0 days or discussed prior.

EQUIPMENT ACCEPTANCE

All equipment must be inspected and approved by the purchaser at Provincial Partitions Ltd. ’s facility before shipment or upon completion of installation. The equipment shall be accepted at Provincial Partitions Ltd. plant of manufacture or upon site of installation upon successful completion of the following checks:

- Completion of testing as defined by Provincial Partitions Ltd. quality standards
- Completion of any purchaser specific requirements included in the contract

Should the Purchaser decline to inspect their equipment prior to shipment/upon completion, the equipment will be shipped in accordance with the details presented on the signed approval drawings. Pictures and /or video of the purchaser’s equipment will be taken by Provincial Partitions Ltd. Quality Control staff and provided to the purchaser in lieu of their on-site/final inspection. Modifications requested after shipment will be addressed by Provincial Partitions Ltd. ’s sales and Project Management team.

DELIVERY

Target delivery date of for purchaser goods will be noted at time of order and confirmed or adjusted at the time of signed full submittal package. The following issues can affect delivery:

- Payment as per payment terms specified above
- Delays in receipt of Purchasers signed submittals by Provincial Partitions Ltd.
- Customer Change Requests (CCR’s)
- Delays in receipt of Purchasers customer change or correction requests (CCR’s), and replies to Provincial Partitions Ltd. technical queries
- The delivery time is given with the best knowledge and resource availability at the time of this proposal. Due to plant dynamics, delivery schedule is subject to confirmation at the time of order placement
- Delivery commitments are critically dependent upon the return of signed off approval drawing(s).

PURCHASER RESPONSIBILITIES

In order to prepare this proposal, Provincial Partitions Ltd. has made the following assumptions:

1. The Purchaser will be responsible, all external interconnections outside of the enclosure, mounting hardware and sizing, building foundations and enclosure pad(s), controls, programming, installation, start-up and all site work (unless stated in Proposal).
2. It is the responsibility of the Purchaser to comply and obtain approval with all the rules and regulations of any elevating devices act, TSSA requirements and approvals, building codes or OSHA standards prevalent in the territory of installation. Special drawing requirements, registration and inspection fees, licenses, permits and operating permits are the responsibility of the purchaser (unless stated in Proposal).
3. The Purchaser is to provide all labor and material to locate, install and align the Provincial Partitions Ltd. supplied equipment at the customer or end-user’s facility (unless stated in Proposal).

TERMS & CONDITIONS

We look forward to servicing your needs. Our qualified staff, strict quality standards and commitment to timely delivery will ensure that your experience exceeds your expectations. Should you have any questions, please feel free to contact our office (905) 817-1000 or by email at sales@pro-part.com.

The terms and conditions as listed below are to be used in conjunction with the related quote/proposal. The terms and conditions of Provincial Partitions Ltd. (“Seller”) Proposal prevail over any terms and conditions in any other documentation and expressly exclude any of Buyer’s (“Sold To” and/or “Ship To” party or parties) terms and conditions or any other document issued by Buyer, its affiliates, and customers in connection with the aforementioned sale / shipment including but not limited to engineering designs, manufactured products and rendered services.

1. Order Acknowledgement – Provincial Partitions Ltd. acknowledgement is subject to credit investigation and approval. Provincial Partitions Ltd. reserves the right to re-quote (includes price and delivery date) within 30 days of original Proposal Date. Final acceptance of all orders is subject to management approval.

2. Terms and Shipment – All prices are per Provincial Partitions Ltd. Standard payment terms, unless otherwise specified in the proposal, after credit arrangements have been established. No cash discounts are allowed unless otherwise specified by Provincial Partitions Ltd. A 2% late payment penalty will apply for late payments. Provincial Partitions Ltd. reserves the right to establish open account terms and limits as well as cash before shipment or C.O.D. terms when it deems it advisable to do so. In addition to the prices specified, purchaser agrees to pay any federal, provincial or municipal sales taxes. All shipments are made FOB Provincial Partitions Ltd. 's plant unless otherwise stated in proposal. Purchaser agrees to assume freight charges, insurance and risks of transportation, including delay, damage, and loss, unless otherwise specified by Provincial Partitions Ltd. If shipment is delayed by purchaser, date of readiness for shipment shall be deemed date of delivery for invoice payment purposes. Provincial Partitions Ltd. is not responsible for delay or back charges due to 3rd party trucking companies. Purchaser assumes all site condition and site preparations including but not limited to skirting, foundations, blocks, pads, steps or ramps.

3. Warranty – As per warranty document below.

4. Delivery Schedules – Delivery schedules forming a part of this order are projected from the date hereof except that, if processing information or any other necessary information has not been received by Provincial Partitions Ltd., then the delivery schedules shall be projected from the date of receipt of such information. Provincial Partitions Ltd. shall not be liable for failure to delivery or delays in delivery occasioned by fire, explosion, breakdown of machinery or equipment, riots, strikes, labour disputes, governmental acts and regulations, inability to obtain material, services or shipping space, or any other cause beyond its reasonable control. In the case of deliveries scheduled to be made over an extended period, the price to be paid shall be that in effect at the time of the shipment.

5. Changes/Corrections – Change or correction in the work to be performed or any other terms of this order may be made only upon the purchaser's written order and the agreement of Provincial Partitions Ltd. If such changes or corrections cause an increase or decrease in the amount due under the order, or the time required for its performance, an equitable adjustment shall be made, and the order modified accordingly. Any changes or corrections in drawings, materials or design of the item(s), parts, units which affect costs will be subject to an equitable adjustment. An order to stop certain work, indefinitely or for a stated period of time, shall be deemed a change or correction under this paragraph.

6. Termination – Orders cannot be partially or wholly terminated, cancelled, or modified or released, held up by the purchaser after material has been ordered or item(s) are in process or finished, except with Provincial Partitions Ltd. 's consent and subject to conditions then to be agreed upon which shall indemnify Provincial Partitions Ltd. against loss.

7. Patents, Inventions, Technical Data – Purchaser does not and shall not acquire ownership or any rights in Provincial Partitions Ltd. patents, inventions and/or technical data under this order, regardless of when such patents, inventions and/or technical data may be or have been issued, conceived, generated, or produced. All Provincial Partitions Ltd. patents, information and/or technical data are reserved by Provincial Partitions Ltd., and the same shall not be reproduced or used by purchaser for any purposes whatsoever without Provincial Partitions Ltd.'s written permission.

8. Limitation of Liability – Except as otherwise specifically set forth in this order, Provincial Partitions Ltd.'s liability for any deficiency of any nature whatsoever in its performance under this order or the results of such performance shall not exceed the value of the order. This limitation applies regardless of the cause of the deficiency, be it negligent on the part of Provincial Partitions Ltd. and/or any one or more of its employees, or otherwise. In no event shall Provincial Partitions Ltd. be liable for loss of profits, loss of use, or other consequential damages.

9. Customer / Buyer ("Sold To" and/or "Ship To" party or parties) will hold harmless and indemnify Seller, Provincial Partitions Ltd. (including its affiliates, its employees, or any third party under its control or supervision) against any and all claims arising out of this agreement, including without limitation, expenses, judgements, fines, settlements and other amounts actually and reasonably incurred in connection with any liability, suit, action, loss, or damage arising or resulting from Seller's participation in this agreement. This indemnification does not include indemnification of Seller against a claim caused by the negligence or fault of Seller, its employees, or any third party under the control or supervision of Seller, other than Customer / Buyer or its agents, employees or subcontractors.

10. Force Majeure- Neither party shall be liable for any failure or delay in performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fires; floods; wars; civil or military disturbances; acts of terrorism; sabotage; strikes; epidemics; riots; power failures; computer failure and any such circumstances beyond its reasonable control as may cause interruption, loss or malfunction of utility, transportation, computer (hardware or software) or telephone communication service; accidents; labor disputes; acts of civil or military authority; governmental actions; or inability to obtain labor, material, equipment or transportation; provided, however, that in the event of a failure or delay, the Seller shall use its reasonable efforts to resume performance as soon as practicable under the circumstances.

PRO PART MODULAR MANUFACTURING WARRANTY

Provincial Partitions Ltd. Manufacturing, herein referred to as Provincial Partitions Ltd. provides a limited warranty on Provincial Partitions Ltd. manufactured components only. The warranty covers defects in material and workmanship. The warranty provided herein specifically excludes OEM equipment and components that Provincial Partitions Ltd. purchases or that is free issued to Provincial Partitions Ltd. by the purchaser. Provincial Partitions Ltd. will pass along the OEM warranties provided from the manufacturer to the purchaser of the equipment when possible. Consumable items included but not limited to lamps, bulbs, fuses, contactors, filters are all excluded from all warranties.

Warranty Period

The warranty period for new Provincial Partitions Ltd. equipment and associated products is 12 months at time of notification of shipment and/or installation to the initial user. If the initial user requires Provincial Partitions Ltd. to store any or all completed builds, the warranty period takes affect at time of storage request. The "initial user" is defined as the original purchaser of the equipment – either from Provincial Partitions Ltd. or one of its approved dealers or distributors. The warranty applicable to any given Provincial Partitions Ltd. product shall be that which is in effect at the time of placement of order.

Provincial Partitions Ltd. Responsibilities

If a defect in material and workmanship is found during the warranty period, Provincial Partitions Ltd. will:

- Provide (at Provincial Partitions Ltd.'s discretion) new, remanufactured, or Provincial Partitions Ltd. approved repaired parts or assembled components needed to correct the defect. All components or other items replaced under this warranty become the property of Provincial Partitions Ltd.

- In the event the user cannot reasonably carry out the repair of the defect, Provincial Partitions Ltd. will provide reasonable or customary labour and/or technical direction needed to correct the defect, including labour to disconnect the product from and reconnect the product to its attached equipment, mounting, and mechanical or electrical support systems (Provincial Partitions Ltd. supplied only), if required.

All warranty work is to be performed at Provincial Partitions Ltd.'s Burlington plant or at a facility designated as the original installation / or delivery location and approved by Provincial Partitions Ltd.

Claims requiring on-site service, which may be subject to warranty, should be accompanied by a purchase order authorizing the visit, travel costs and costs for repairs, if applicable.

User Responsibilities

The user is responsible for:

- Providing proof of the delivery date to the first user
- Providing proof of proper scheduled maintenance on all the equipment as specified by Provincial Partitions Ltd. and where applicable Provincial Partitions Ltd. partners. Users must provide a Maintenance Log for all warranty claims. Maintenance Logs will identify the nature of the maintenance work performed, when it was performed and who performed it
- Providing reasonable access to the product and allowing reasonable use of existing site infrastructure, including the use of tools, lifting equipment, etc. to perform obligations in connection with this warranty
- Labour costs, except as stated under “Provincial Partitions Ltd. Responsibilities”, including costs beyond those required to disconnect the product from and reconnect the product to its attached equipment, mounting and mechanical or electrical support systems (either supplied by Provincial Partitions Ltd. or other)
- Travel expenses are not covered under “Provincial Partitions Ltd. Responsibilities”
- Parts shipping charges in excess of those which are usual and customary
- Local taxes, if applicable
- Costs to investigate complaints, unless the problem is caused by a defect in material or workmanship of product covered under this warranty
- Giving timely notice of a warrantable failure and promptly making the product available for repair
- Performance of required maintenance (including use of proper fuel, oil, lubricants and coolant) in accordance with Provincial Partitions Ltd. recommendations, and items replaced due to normal wear and tear. User ensures clean intake combustion and cooling air, which will be free of contaminants, such as but not limited to: dirt, debris, air-borne particles, gypsum board dust, powders saw dust, or ceramic/glass fibers; chemical contaminants containing hazardous or corrosive gases, including but not limited to: chloride, ammonia, alkali agents, fluoride, bromine, or iodine
- Allowing Provincial Partitions Ltd. access to all electronically stored data (if applicable)

Failure by the user to adhere to any of the above responsibilities may result in forfeit of warranty benefits all or in part.

Limitations and exclusions

Provincial Partitions Ltd. is not responsible for:

- Failures resulting from any storage, use or installation which Provincial Partitions Ltd. judges improper or which conflicts with any written or oral operating or maintenance directive provided by Provincial Partitions Ltd. or a Provincial Partitions Ltd. dealer/subcontractor, distributor or representative
- Failures due to, in whole or in part, the failure of a User to comply with the appropriate maintenance schedule
- Failures from operating outside of design limits
- Failures resulting from attachments, accessory items and parts not sold or approved by Provincial Partitions Ltd.
- Failures resulting from natural wear and tear, abuse, neglect, natural disaster or from improper repair
- Failures resulting from the user’s delay in making the product available after being notified of a potential product problem
- Failures resulting from unauthorized repair, alterations, adjustments, and unauthorized fuel-setting or other changes
- Damage to parts, fixtures, housings, attachments and accessory items, which are not part of the original Provincial Partitions Ltd. supplied product
- Incidental or consequential damages
- Any costs, losses or damage of any kind due to loss of service or production
- Any costs exceeding the original purchase price of the product

FACTORS NOT COVERED UNDER PROVINCIAL PARTITIONS LTD. WARRANTY

Provincial Partitions Ltd. warranty does not cover damages to customer issued or Provincial Partitions Ltd. purchased OEM equipment caused by environmental factors such as airborne dust, chemicals, salt, acid rain, and other hazards. Provincial Partitions Ltd. warranty does not cover damages caused by hailstorms, windstorms, tornadoes, sandstorms, lightning, floods, and earthquakes. Provincial Partitions Ltd. warranty does not cover conditions resulting from anything impacting the equipment. This includes cracks and chips, scratches and chips in painted surfaces, or damage from any type of impact force.

Provincial Partitions Ltd. warranty does not cover the costs of repairing damage caused by poor or improper maintenance. Nor will Provincial Partitions Ltd. cover damage caused by the use of contaminated fuels, or by the use of fuels, oils, lubricants, cleaners or fluids other than those recommended by Provincial Partitions Ltd.

Provincial Partitions Ltd. warranty will not cover any incidental or consequential damages connected with the equipment’s failure, either while under warranty or afterward. Examples of such damages include: lost time; inconvenience; the loss of the use of the equipment; the loss of personal or commercial property; and the loss of revenue.

Provincial Partitions Ltd. warranty will not cover the costs of repairing damage or conditions caused by any of the following: fire or accident; abuse or negligence; misuse; tampering with the electrical and other systems, or with a part that could affect those systems.

This warranty covers every major component of Provincial Partitions Ltd. equipment. Claims under this warranty should be submitted to Provincial Partitions Ltd. To submit claims, contact Provincial Partitions Ltd. – attention Provincial Partitions Ltd. Warranty at 1129 Northside Road, Unit #2, Burlington, ON L7M 1H5, Canada. 1-905-817-1000.

