

MANUCHAR INC.
TERMS AND CONDITIONS OF SALE

1. ENTIRE CONTRACT. Unless otherwise agreed in writing, these terms and conditions of sale ("Terms and Conditions") form the basis on which Manuchar Inc. ("Seller") sells product ("Product") to the buyer ("Buyer") as identified in any Order Confirmation. "Order Confirmation" means any written confirmation from Seller to Buyer in relation to its sale of Product, whether or not based on a Price Quotation, referring to the Terms and Conditions and accepted in writing by Buyer. "Price Quotation" means the written price quotation from Seller to Buyer in relation to the sale of Product indicating, by way of example, certain specifications of the Product such as the name of the Product, indication of price, and terms of payment, shipping and packaging. "Contract" means the relevant Order Confirmation together with the relevant Price Quotation, if any, and these Terms and Conditions. The Contract constitutes the entire agreement of Buyer and Seller relating to the subject matter thereof and supersedes all prior communications, understandings and agreements with respect thereto, whether oral or written. In the event of a conflict between the Order Confirmation, Price Quotation and these Terms and Conditions, these Terms and Conditions shall prevail over the Order Confirmation and the Price Quotation, and the Order Confirmation shall prevail over the Price Quotation, if any. For the avoidance of doubt, it is stated that the Price Quotation, if any, supplements the Order Confirmation in respect of terms of the sale not indicated in the Order Confirmation. Any term or condition proposed by Buyer that supplements, conflicts with, or is in any way different from this Contract, including Buyer's standards terms and conditions of purchase (if any), is hereby rejected, and no additional notice of the foregoing need be given by Seller to Buyer.

2. SHIPMENT AND DELIVERY.

(a) Product shall be shipped and delivered in accordance with the Incoterm set forth in the Price Quotation or the Order Confirmation, as applicable. If both the Order Confirmation and the Price Quotation are silent as to the applicable Incoterm, Product shall be shipped and delivered FOB or FCA, as applicable. Absent a shipment schedule in the Order Confirmation and the Price Quotation, shipments will be scheduled by Seller at the time of its issuance of an invoice, or at any mutually agreed upon time. In the event existing priorities or schedules may make strict compliance with Buyer's requested delivery dates impracticable, Seller may depart from such requested delivery dates in scheduling shipments but agrees to attempt to time shipments to conform to any schedule requested by Buyer.

(b) Seller's weights and measures shall govern, except in case of proven error.

3. TITLE AND RISK OF LOSS. Title and risk of loss shall pass from Seller to Buyer upon delivery. Delivery shall be deemed to occur upon the earlier of physical delivery of Product to Buyer, Buyer's agent, carrier or bailee nominated by Buyer, or carrier provided by Seller in case the shipping term requires that the carrier be provided by Seller, as applicable (regardless of whether Seller has provided or retained a Bill of Lading or other document(s) of title to the Product).

4. PRICES AND PAYMENT.

(a) All prices are given excluding any governmental taxes, excises, duties, shipping costs, insurance and other charges with respect to delivery of Product to Buyer under the Contract, unless explicitly stated otherwise in the Price Quotation or the Order Confirmation.

(b) All sums due under the Contract shall be payable according to the payment terms stated on the order Confirmation or the Price Quotation, as applicable; provided, however, that if both the Order Confirmation and the Price Quotation are silent as to the due date of payment, payment shall be due within thirty (30) calendar days of the date of Seller's invoice. Payment must be made to Seller without any deduction or set-off. Interest shall accrue on overdue payments at the lesser of 2% per month or the maximum rate permitted under applicable law. In addition, if Buyer fails to meet a payment date, all outstanding amounts which would become due and payable by Buyer to Seller on a later date, will

become immediately due and payable and Seller may, in its sole discretion, discontinue or suspend deliveries of Product to Buyer. Any other remedy available to Seller shall remain unaffected.

(c) Seller shall be entitled to recover from Buyer costs of collection of overdue payments (including without limitation attorneys' fees).

(d) Notwithstanding anything to the contrary in this Contract, and regardless of any prior approval of credit, Seller shall be entitled to require full or partial cash payment in advance of shipment if, in Seller's sole discretion, Buyer's creditworthiness is in doubt. Seller shall also be entitled at any time, in its sole discretion, to require that Buyer deliver within seven (7) calendar days written assurances regarding Buyer's financial condition. If Buyer fails to deliver such assurances, or delivers unsatisfactory assurances, Seller shall be entitled to suspend all deliveries of Product until it receives assurances that Seller, in its sole discretion, considers satisfactory.

5. CHANGES. If the sale provides for multiple shipments, as to any unshipped Product, Seller may revise its prices or terms of payment upon not less than seven (7) calendar days advance written notice to Buyer. In the event that the cost of production or supply of Product materially increases for any reason, such increased cost shall be borne by Buyer, unless otherwise mutually agreed in writing.

6. SECURITY INTEREST. Buyer hereby grants to Seller a security interest in the Product to secure Buyer's payment obligations to Seller. Buyer grants Seller the authority and appoints Seller as its attorney-in-fact to execute such financing statements and perform such other acts on Buyer's behalf as are necessary or desirable to perfect Seller's security interest in the Product.

7. QUEBEC HYPOTHEC. Buyer hereby hypothecates in favor of the Seller the universality of all present and future Products acquired from time to time by the Buyer under this Contract and at any time located in the Province of Quebec, in the aggregate amount of the purchase price of all such Products acquired by the Buyer marked up by 20%, with interest thereon at the rate of 25% per annum, to secure the full payment and due performance of all obligations of the Buyer to the Seller under this Contract and to evidence and protect Seller's interest in the Products. This hypothec may be registered by the Seller at the Register of Personal and Movable Real Rights (Quebec) as a seller's hypothec within the meaning of Article 2954 of the *Civil Code of Quebec* and Buyer grants Seller the authority and appoints Seller as its mandatary to perform such other acts on Buyer's behalf as are necessary or desirable for the Seller's hypothec under this Section 7 to be enforceable. The foregoing hypothec will subsist pursuant to Article 2797 of the *Civil Code of Quebec* notwithstanding any fluctuation or repayment of outstanding obligations hereunder. Buyer shall sign and deliver such other documents and provide such other information as Seller may request in order to validate, preserve or protect Seller's movable rights or render them enforceable, in each case in such manner as Seller may deem satisfactory.

8. WARRANTY. Seller shall have no liability with respect to any recommendations or instructions as to handling, use or disposal of Product and/or its packaging, including its use alone or in combination with other products, or as to any apparatus or process for the use of Product. Buyer has the sole responsibility of ensuring that Product is suitable for its intended use or any contemplated use. SELLER'S SOLE AND EXCLUSIVE WARRANTY IS THAT AT THE TIME OF SHIPMENT, PRODUCT COMPLIES WITH THE SPECIFICATIONS FURNISHED TO SELLER BY SELLER'S SUPPLIER OF PRODUCT. SUCH WARRANTY EXPIRES AS TO ANY SHIPMENT AT THE EARLIER OF THE EXPIRATION OF THIRTY (30) CALENDAR DAYS AFTER RECEIPT THEREOF OR USE OR INCORPORATION OF PRODUCT BY SELLER. SELLER MAKES NO OTHER WARRANTIES EITHER EXPRESS OR IMPLIED, WHETHER WITH RESPECT TO PRODUCT OR ITS RECOMMENDATIONS, INSTRUCTIONS, APPARATUS, PROCESS OR OTHERWISE, AND SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTIES, WHETHER OF NON-INFRINGEMENT, MERCHANTABILITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE. Buyer agrees that any analysis of Product in respect of such warranty shall be performed using only the same analyzing methods as used by Seller's supplier.

9. INTELLECTUAL PROPERTY. Buyer warrants to Seller that all documents provided by Buyer are accurate and that Seller is entitled to use all such documents for the purposes of the Contract and that

such use does not infringe any third party's intellectual property rights. In no event shall Seller be liable or responsible for any alleged infringement of any patent, trademark or other third-party intellectual property right ("Intellectual Property Right"). Seller may at any time, without liability of any kind to Buyer, discontinue deliveries of Product, the manufacture, sale or use of which, in Seller's sole determination, might infringe any Intellectual Property Right.

10. CONFIDENTIALITY. If Buyer receives any confidential information from Seller, Buyer shall protect such information and shall not use or disclose such information. Upon Seller's request, Buyer shall immediately return to Seller any documents, specifications, technical data and other confidential information.

11. SANCTIONS, EXPORT CONTROL AND ANTI-BOYCOTT.

(a) "Sanctions" means any trade, economic and/or financial sanctions or export controls including without limitation any relevant law, regulation, order, ordinance, resolution, decree, restrictive measure, or other requirement having the force of law, as well as import and export restrictions related to military and dual-use products and technologies, chemical precursors (drugs and explosives), dangerous chemicals, pesticides and substances that deplete the ozone layer), adopted by the US, UK, EU (or its respective Member States), UN or any other government authority.

(b) The Buyer represents and warrants that neither it nor any person or entity that directly or indirectly owns or controls it, that it directly or indirectly owns and controls, or for which it is acting on behalf of or at the direction of is a designated target of any Sanctions, or an individual ordinary resident in or an entity incorporated under the laws of a country or territory subject to comprehensive sanctions administered by the U.S. Department of Treasury Office of Foreign Assets Control ("OFAC") ("Sanctioned Country") (collectively "Sanctioned Person"). The Buyer agrees and undertakes to the other that it and its agents, contractors and representatives will fully comply with the requirements of all applicable Sanctions in the performance of this contract.

(c) The Buyer agrees and undertakes that the goods being purchased in performance of this Agreement will not be directly or indirectly resold to a Sanctioned Person or a Sanctioned Country, transported on a vessel flying under the flag of a Sanctioned Country or that is a Sanctioned Person, or otherwise dealt with in any way which would cause a breach of Sanctions by us, our banks, insurers, agents, contractors, representatives or shareholders ("Manuchar Related Parties") or otherwise expose us or Manuchar Related Parties to the effects of any Sanctions.

(d) The Buyer further represents and warrants that it will not make payment for the goods through or via such country, bank, or other entity or body or facility, as would cause a breach of Sanctions by us or Manuchar Related Parties, or which would expose us or Manuchar Related Parties to the effects of any Sanctions, and that it will ensure that payment is made for the goods in full without violating Sanctions.

(e) The Buyer warrants that our goods will not be used by its customer or supplied by its customer in a way which would cause a breach of Sanctions by us or Manuchar Related Parties or otherwise to the effects of any Sanctions.

(f) The parties will not cooperate with, agree to, or comply with any terms or requests, including documentary requests, which violate or are otherwise prohibited or penalized under the Anti-Boycott laws or regulations of the US, UK, UN, the EU (or its respective member states) or any other government authority.

(g) Without prejudice to the foregoing, the Buyer agrees to cooperate with any reasonable requests for information and/or documentary evidence to support and/or verify compliance with this clause.

(h) Each and every obligation, warranty and undertaking in this clause shall be deemed to be a condition of the contract and breach of any of these warranties or undertakings entitles the party not in breach to terminate the contract immediately and unilaterally without any further notice nor any further liability towards the other party.

12. ANTI-CORRUPTION AND ANTI-MONEY LAUNDERING

(a) Each party respectively agrees and undertakes to the other that, in connection with this contract, it will fully comply with all applicable laws, regulations, orders, ordinances, resolutions, decrees, or restrictive measures and/or other requirements having the force of law, adopted by any state or government or international organization such as, but not limited to, the EU, the UN relating to anti-bribery and anti-money laundering, the US and the U.S. Foreign Corrupt Practices Act of 1977 and the UK and the UK Bribery Act of 2010 (hereinafter collectively the "Anti-Corruption and Anti-Money Laundering Laws"). In particular, each party respectively represents, warrants and undertakes to the other that it shall not, directly or indirectly, pay, offer, give or promise to pay or authorize the payment of, any monies or other things of value to, or confer a financial advantage on:

(b) A government official or an officer or employee of a government or any department, agency or instrumentality of any government; b. an officer or employee of a public international organization; c. any person acting in an official capacity for or on behalf of any government or department, agency, or instrumentality of such government or of any public international organization; d. any political party or official thereof, or any candidate for political office; or e. any other private person, individual or entity. Each and every obligation, warranty and undertaking in this clause shall be deemed to be a condition of the contract.

(c) The Buyer agrees and undertakes that it and its agents, contractors and representatives will fully comply with the requirements of all applicable Anti-Corruption and Anti-Money Laundering Laws in the performance of this contract.

13. PACKAGING; USES; SAFE HANDLING. Buyer acknowledges receipt of Seller's Material Safety Data Sheet. Buyer shall promptly and carefully inspect Product upon receipt and will maintain appropriate safe handling procedures with respect to Product. Buyer warrants that Product will not be used, resold, or combined for end uses intended or reasonably likely to be toxic or lethal to human beings. Buyer will apprise its employees and customers of the hazards, proper use and handling requirements of Product, and shall comply with the OSHA Hazard Communication Standard, and all other applicable laws, rules and regulations with respect thereto. Except to the extent solely and directly caused by any breach of Seller's obligations under this Contract, Buyer assumes full responsibility for any liability arising out of unloading, discharge, storage, handling, use and disposal of Product or containers.

14. CLAIMS AND LIMITATION OF LIABILITY.

(a) Buyer must provide a fully-detailed written notice to Seller of any objection to the condition or quantity of Product within twenty-four (24) hours of Buyer's receipt of the applicable shipment. In the event of such objection, Buyer shall, at its sole expense, hold such Product up to sixty (60) calendar days from the date of such notice for Seller's inspection. Failure to provide such notice to Seller or to hold Product in accordance with this Section 11(a) shall be deemed to constitute Buyer's acceptance of Product and waiver by Buyer of any claim with respect to the condition or quantity of such Product.

(b) If Seller, in its sole discretion, has determined that an objection made by Buyer in accordance with Section 11(a) hereof is justified, Seller's sole liability, and Buyer's exclusive remedy, will be, at Seller's sole option, to: (i) replace the non-conforming Product; (ii) in the event of a shortfall in the quantity of Product supplied, deliver additional Product or (iii) refund or credit to Buyer's account (in part or in full, as applicable) the invoice price paid by Buyer for such Product.

(c) IN NO EVENT SHALL SELLER'S LIABILITY AS TO ANY DISPUTE, CONTROVERSY OR CLAIM ("CLAIM") OF ANY NATURE, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, PATENT INFRINGEMENT OR OTHERWISE, EXCEED THE PURCHASE PRICE OF THE PORTION OF PRODUCT IN RESPECT OF WHICH SUCH CLAIM IS MADE, PLUS ANY TRANSPORTATION CHARGES PAID BY BUYER. IN NO EVENT SHALL SELLER BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, EXEMPLARY CONSEQUENTIAL, OR CONTINGENT DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF ANTICIPATED PROFITS, BUSINESS INTERRUPTION, LOSS OF USE OR REVENUE, COST OF CAPITAL OR LOSS OR DAMAGE TO PROPERTY OR EQUIPMENT), EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR CLAIMS OF BUYER'S CUSTOMERS FOR ANY DAMAGES.

(d) WITHOUT PREJUDICE TO SECTION 12(a) HEREOF, IN NO EVENT SHALL SELLER HAVE ANY LIABILITY WITH RESPECT TO ANY CLAIM RELATING TO PRODUCT IF SUCH CLAIM IS MADE MORE THAN ONE (1) YEAR AFTER THE DATE SUCH PRODUCT WAS DELIVERED TO BUYER. BUYER HEREBY WAIVES ANY STATUTE OF LIMITATIONS TO THE CONTRARY.

15. INDEMNIFICATION. Buyer shall defend, indemnify and hold harmless Seller, its directors, officers, employees, agents and affiliates from and against all losses, liabilities, damages and expenses arising out of any claim, suit or proceeding by any governmental agency or any third party that arises from or in connection with Buyer's breach of any provision of the Contract; any alleged infringement of any Intellectual Property Right that relates to Buyer's use of Product or Seller's compliance with Buyer's requests, specifications or instructions; Buyer's use of Product or incorporation of Product in goods sold or distributed by Buyer (including, but not limited hereto, if such use or incorporation is not in compliance with applicable law) or that alleges death, personal or economic injury or damages to any private or public property or resources, caused or contributed to by Product.

16. CANCELLATION. Buyer may not cancel the Contract or any shipment thereunder without the prior written consent of Seller. In the event Buyer shall (a) be in default of any obligation under the Contract, (b) become insolvent or the subject of any proceeding (whether voluntary or involuntary) in bankruptcy, insolvency, reorganization or arrangement for the benefit of its creditors, (c) make an assignment for the benefit of its creditors, or (d) have a trustee, receiver or liquidator appointed for all or a portion of Buyer's property, Seller may, at its option, cancel the Contract and any other agreement with Buyer. In the event of such cancellation, any and all claims or demands against Buyer held by Seller shall immediately become due and payable. Cancellation of the Contract or any shipment thereunder shall not relieve Buyer of any obligation existing prior to or as of such cancellation.

17. FORCE MAJEURE.

(a) Performance of any obligation under this Contract by Seller may be suspended without liability of any kind to Buyer, to the extent that an act of nature; war; terrorism; riot; fire; explosion; accident; flood; sabotage; mechanical breakdown; plant shutdown; delay during transportation, Seller's inability to obtain fuel, power, transportation, materials or equipment from its usual sources at prices it deems reasonable; governmental laws, regulations or orders; or any other cause (except financial) beyond the reasonable control of Seller; or labor trouble, strike, lockout or injunction (whether or not such labor event is within the reasonable control of Seller) delays, restricts, limits, or renders commercially infeasible the performance of this Contract or the consumption, sale or use of Product, except as to Product already in transit (hereinafter "Force Majeure"). The total Contract quantity shall be reduced by the quantity not delivered during the term of such suspension and the Contract shall otherwise remain unaffected. In no event shall Seller be required to ship Product from Seller's or, if applicable, other locations or to purchase Product or components from other sources to fulfill the Contract requirements. If any of such contingencies occur, Seller may, in its sole discretion and without liability of any kind to Buyer, keep its available supply of Product for its own uses, or distribute it among its customers upon such basis and in such manner as Seller deems appropriate.

(b) If a Force Majeure event occurs, Seller shall notify Buyer within fifteen (15) calendar days after Seller becomes aware thereof. If Seller estimates that Force Majeure will continue for more than

ninety (90) calendar days, and so notifies Buyer, Seller may in such notice terminate the Contract without liability of any kind. Buyer may terminate the Contract without incurring liability of any kind, by sending written notice to Seller within seven (7) calendar days after the date of Seller's notification that Seller estimates the Force Majeure to continue for more than ninety (90) calendar days.

(c) Buyer acknowledges that Seller is not the producer of Product. If Seller's supplier of Product is designated in the Contract or otherwise identified by Seller to Buyer, then any force majeure condition affecting such supplier shall be deemed a Force Majeure condition affecting Seller.

18. GOVERNING LAW. THIS CONTRACT SHALL BE GOVERNED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE PROVINCE OF QUEBEC AND THE LAWS OF CANADA APPLICABLE THEREIN, WITHOUT APPLICATION OF ITS CONFLICT OF LAWS PRINCIPLES. The United Nations Convention on the International Sale of Goods shall not apply to this Contract.

19. SHIPPING TERMS. Shipping terms used in this Contract shall be interpreted in accordance with Incoterms 2010, and any reference to an "Incoterm" in these Terms and Conditions, the Price Quotation, the Order Confirmation or Seller's invoices shall be deemed to refer to, Incoterms 2010.

20. ARBITRATION. In the event of any dispute, controversy or claim ("Claim") arising out of or relating to this Contract, the parties shall use every endeavor to settle such Claim by mutual consultation in good faith between officers of Seller and Buyer having requisite decision-making authority. Such mutual consultation shall take place as soon as practicable after the receipt by one party of a written notice from the other party describing the Claim. If the Claim is not resolved by consultation to the satisfaction of the parties within fifteen (15) calendar days of written notice given to one party pursuant to this Section 18, the Claim will be finally resolved by arbitration and to the exclusion of the tribunals before a single arbitrator pursuant to the provisions of the *Code of Civil Procedure* (Quebec) applicable at the time of the Claim.

21. ELECTRONIC CONTRACTS. The parties may do business electronically, including order placement, issuance of Price Quotations and Order Confirmations and acceptance, by electronic mail (e-mail), the internet and/or electronic data interchange (EDI), if applicable. A Price Quotation or Order Confirmation electronically issued shall be subject to and incorporate these Terms and Conditions. A Contract issued and accepted electronically in accordance herewith shall create fully enforceable obligations of Buyer and Seller and shall be effective as and deemed an original signed writing.

22. WAIVER. Seller's waiver of any particular breach or default of this Contract shall not be effective unless in writing and shall not constitute a continuing waiver or a waiver of any other breach or default. Seller's acceptance of any payments with knowledge of any breach or default shall not constitute a waiver of such breach or default.

23. ASSIGNMENT. Buyer shall not assign this Contract without Seller's prior written consent, and any attempted assignment without Seller's written consent shall be void.

24. MODIFICATIONS. Except as otherwise set forth herein, this Contract may be modified or rescinded only by a writing signed by authorized representatives of both parties.

25. NOTICES. Any notice shall be sufficiently given when duly mailed postage prepaid, addressed to Seller or to Buyer at its respective addresses appearing on the Price Quotation or Order Confirmation and purchase order (or to such other addressee as either party designates by notice hereunder).

26. SEVERABILITY; HEADINGS. If a provision of the Contract shall be held invalid, illegal or unenforceable for any reason, the provision must be read down so as to be valid, legal and enforceable or, if it cannot be so read down, it must be severed from the Contract without affecting the validity, legality and enforceability of the remaining provisions of the Contract. Section headings or titles are included for convenience of reference and do not constitute a part of these Terms and Conditions.

27. EXTERNAL CLAUSES. Buyer acknowledges that any external clauses to which this Contract makes reference, where applicable, has been expressly brought to its attention and the Buyer hereby declares itself content and satisfied therewith.

28. LANGUAGE. The parties hereto confirm that it is their wish that this Contract as well as all other documents relating hereto have been and shall be drawn up in English only.

29. SURVIVAL. Sections 4, 6, 7, 8, 9, 11, and 12 of these Terms and Conditions shall survive the termination of the Contract for any reason.