

TERMS AND CONDITIONS OF SALE FOR NEPTRONIC PRODUCTS OTHER THAN SOFTWARE AND HARDWARE

1. SCOPE AND DEFINITIONS

1.1 Scope

These Terms and Conditions of Sale apply to all purchases of Products (as defined herein) other than software and hardware, regardless of the mode in which such purchases are made including, without restriction, by Purchase Order, Electronic Purchase Order, through an agent or authorized distributor or directly with Neptronic.

For purchases of Neptronic's software and hardware products, please consult the *Terms and Conditions of Sale for Neptronic Software, Cloud SaaS Software and Hardware Products*, which can be found by visiting one of the Neptronic Websites listed below which corresponds to the product you wish to purchase.

The Customer hereby acknowledges having read and understood these Terms and Conditions of Sale and agrees to be bound by the terms hereof as of the moment the Customer submits to Neptronic a request for quotation, a Purchase Order or an Electronic Purchase Order, receives an Order Confirmation, an invoice or confirmation of shipment of the Product(s), whichever occurs first.

1.2 Interpretation and Definitions

Interpretation

The words of which the initial letter is capitalized have meanings defined under the following conditions.

Definitions

Whenever used in this Agreement, the terms referred to below shall have the following meanings:

“Affiliates” means any of the entities that control, are controlled by or are under common control of the Parties. For purposes of this definition, “control” shall mean the possession, directly or indirectly, of a majority of the voting power of such entity (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise).

“Agreement” means these Terms and Conditions of Sale together with any other agreement, document, addendum or schedule forming an integral part hereof.

“Confidential Information” means the Intellectual Property and trade secrets and any other

information of proprietary or confidential nature, which belongs to Neptronic.

“**Customer**” or “**you**” means the person, company, firm, enterprise or other entity identified on a request for quotation, Purchase Order, Order Confirmation or invoice with respect to the purchase of Product(s).

“**Electronic Purchase Orders**” means Purchase Orders placed online on any of the Neptronic Websites applicable to different Products.

“**Force Majeure**” means an event or occurrence due to causes beyond either Party’s reasonable control including, but not limited to, strike, war, riots, acts of civil or military unrest or insurrection, judicial actions, acts of God, fire, epidemic or pandemic, or any other casualty or natural calamity.

“**Incoterms 2020**” means *Incoterms 2020*, published by the International Chamber of Commerce.

“**Intellectual Property or Intellectual Property Rights**” means the rights and title to all intellectual property owned by Neptronic, including, without limitation, (a) all inventions and improvements thereto whether patentable or not, (b) patents, patent applications and disclosures, (c) all copyrights, copyrightable works and all applications, registrations and renewals in connection therewith, (d) trademarks (e) service marks, (f) trade names, (g) logos, (h) trade secrets, (i) industrial designs, (j) licenses and sublicenses and (k) know-how, and any related applications and/or registrations thereof in any jurisdiction.

“**Neptronic**” means Neptronic, a division of National Environmental Products Ltd. and its Affiliates.

“**Neptronic Website(s)**” means any of the following Neptronic websites applicable to different Products offered by Neptronic:

<http://www.neptronic.com>
<http://www.humidisoft.com>
<http://www.neptronicdigital.com>
<http://www.neptroniccloud.com>
<http://www.nepconnect.com>

as well as any other Neptronic Website which may be constructed in the future.

“**Order Confirmation**” means a Purchase Order, including an Electronic Purchase Order, which has been accepted in writing by Neptronic.

“**Parties**” means collectively Neptronic and the Customer, each being referred to individually as a “**Party**”.

“**Privacy Policy**” means a privacy policy statement issued by Neptronic and available on its website, regarding the treatment and processing of Customer Data and the security measures implemented with respect thereto.

“**Product(s)**” means a physical, tangible product or products designed, developed and distributed by Neptronic relating to the HVAC industry, including but not limited to units, parts, and accessories, and any other such product that may be made available for sale by Neptronic in the future. It does not include software products.

“**Purchase Order**” means a purchase order submitted by the Customer to Neptronic regardless of the mode in which it is conveyed including Electronic Purchase Orders, orders placed through an agent or authorized distributor or orders placed directly with Neptronic, unless agreed otherwise in the Agreement.

“**Terms and Conditions of Sale**” means these *Terms and Conditions of Sale for Neptronic Products other than Software and Hardware*.

1.3 The Customer hereby acknowledges having read and understood the present Agreement and agrees to be bound by the provisions hereof which the Customer accepts by any of the following (i) submitting a request for quotation, (ii) signing and returning Neptronic’s quotation, (iii) submitting a Purchase Order to Neptronic, (iv) receiving an Order Confirmation, (v) submitting instructions to Neptronic to ship the Product, (vi) instructions to Neptronic for delivery of the Product; or (vii) accepting or paying for the Product.

1.4 In the event of a conflict between any provision contained in these Terms and Conditions of Sale, the Purchase Order, Order Confirmation or any other document, the provisions of these Terms and Conditions of Sale shall prevail unless otherwise expressly agreed in writing between the Parties.

1.5 All terms of the purchase and sale of Product(s) between the Customer and Neptronic including, without limitation, price, delivery, transfer of risk, insurance, etc., shall be interpreted and governed in accordance with the terms of *Incoterms 2020*, unless otherwise expressly agreed in writing between the Parties.

2. PURCHASE ORDERS, ORDER CONFIRMATION AND CANCELLATION

2.1 Neptronic shall not be deemed to have accepted a Purchase Order until Neptronic provides an Order Confirmation in writing to the Customer.

2.2 A Purchase Order, once accepted by Neptronic in the Order Confirmation, shall not be cancellable regardless of the mode in which it is placed, whether online, through an agent, authorized distributor

or directly with Neptronic. All forms of conveyance of a Purchase Order shall be equally binding on the Customer.

2.3 Neptronic reserves the right to accept or reject any Purchase Order, in whole or in part, at Neptronic's sole discretion.

2.4 The Customer shall be responsible for verifying all information contained in the Order Confirmation and shall immediately notify Neptronic in writing of any discrepancy or inconsistency therein. Any correction or change to be made to the Order Confirmation shall be subject to acceptance of same by Neptronic by the issuance of a revised Order Confirmation confirming such change or correction. Furthermore, without limiting the foregoing and subject to the provisions of Section 2.2 above, should the Customer wish to modify any of the terms of the Purchase Order concerning, without limitation, Product(s) or any services relating thereto such as, for example, delivery, packaging, etc., such requested modifications shall be subject to Neptronic's acceptance by way of a subsequent Order Confirmation confirming same.

2.5 The delays for processing Purchase Orders vary depending on the geographical area. The minimum delays required for processing Purchase Orders are:

- For Purchase Orders within North America: 48 hours
- For International Purchase Orders: 72 hours
- For Electronic Purchase Orders: 24 hours

Neptronic cannot commit to the above delays for any non-standard Product which involves customization as per the Customer's requirements and specifications. For such Products you should contact Neptronic's representative.

3. APPLICATION, INSTALLATION AND OPERATION OF PRODUCTS

3.1 Neptronic makes no representations whatsoever with respect to the ordered Products and its suitability for the purposes for which the Customer wishes to purchase them, the Customer hereby renouncing to any claim against Neptronic in this regard. Consequently, the Customer shall, prior to placing a Purchase Order, ensure that the Product and its specifications are suitable in all respects for the Customer's intended use and waives any claim against the Neptronic in this respect.

3.2 The Customer confirms having the necessary knowledge and skills for the purposes of a proper installation and operation of the Product, failing which, the Customer shall hire the services of a competent professional technician for that purpose. The Customer acknowledges and agrees that Neptronic shall not be liable for an improper installation or operation of the Product and waives any claim against Neptronic in this regard.

3.3 Neptronic will offer assistance to the Customer by providing drawings and/or specifications for a Product which may be required for approval by an engineering consulting firm or any other third-party having interest. Notwithstanding the foregoing, the Customer acknowledges that Neptronic's assistance in this regard shall not be deemed as Neptronic's responsibility to ensure the conformity

of the Product to the required specifications and/or drawings. The Customer understands and expressly acknowledges that it is the Customer's responsibility to ensure such conformity.

- 3.4 When an ordered Product is subject to customization, Neptronic may require a confirmation of the approval by an engineering consulting firm of the specifications and/or drawings relating to the Product. Neptronic reserves its right not to commence production until Neptronic receives a written approval from such engineering consulting firm confirming that the Product conforms to the specifications and/or drawings.

4. PRICES

Unless otherwise expressly stated by Neptronic in the Order Confirmation:

- 4.1 except as otherwise expressly agreed in writing the Parties, all prices are in U.S. Dollars and are net and are exclusive of all taxes, charges, tariffs, transportation costs, customs duties and import fees and shall be valid for a period of thirty (30) days from the date of quotation, subject to Section 4.3 below.
- 4.2 prices quoted are EXW (Ex Works, Neptronic's facility, Montreal) as per *Incoterms 2020*.
- 4.3 prices shall be subject to adjustment due to fluctuation in exchange rates, change in costs of materials or labor, governmental regulations, shipment arrangements or other factors beyond Neptronic's control.
- 4.4 the minimum amount required to place a valid Purchase Order is Fifty Dollars (\$50.00) and the minimum shipping and handling charge is Five Dollars (\$5.00).
- 4.5 unless confirmed in the Order Confirmation in accordance with this Agreement, prices published in catalogs, bulletins, on Neptronic Websites or price lists are subject to change, at Neptronic's discretion, upon thirty (30) days prior notice sent to the Customer by any of the means of transmission indicated in Section 13.2 below, or from the date of posting of such price changes on the Neptronic Website applicable to a particular Product affected by the price change.
- 4.6 Neptronic may elect to discontinue the sale of any Product even if such Product is featured in a catalog, bulletin, on Neptronic Website or price list and even if previously quoted to the Customer.

5. TERMS OF PAYMENT

- 5.1 Payment for the Products purchased by a Customer shall be made either:

- C.O.D.;
- by prepayment;
- with major credit cards (please refer to the terms and conditions of Neptronic's form "**Credit Card Authorization Form**"); or



-by credit upon Neptronic's having approved the Customer's application for credit at its sole discretion (please refer to the terms and conditions set forth on Neptronic's form "**Application for Credit**").

- 5.2 Where satisfactory open account credit is established in accordance with Neptronic's credit approval policy, unless otherwise specified, invoices shall be due and payable within thirty (30) days from the date of the invoice. Neptronic reserves the right, at any time, to revoke any such credit extended to the Customer if, at its sole discretion, Neptronic is of the opinion that the Customer's financial situation and credit worthiness do not justify the granting of credit privileges to the Customer. If the Customer's credit is revoked, Neptronic may cancel any unfilled Purchase Orders, unless the Customer, upon written notice, immediately pays for any Product(s) delivered or pays in advance for all Products ordered but not yet delivered, the whole at Neptronic's sole option.
- 5.3 Neptronic will issue invoices upon delivery of Products. If deliveries are made in installments, each installment shall be invoiced and paid when due without regard to other scheduled installment deliveries.
- 5.4 Overdue and outstanding payments shall be subject to finance charges at a rate of 2% per month. The Customer agrees to pay to Neptronic its legal and other costs in connection with the collection of the amounts owing for unpaid invoices, the whole in accordance with the terms and conditions of the Application for Credit signed by the Customer.
- 5.5 Amounts owed by the Customer to Neptronic shall be paid without deduction, compensation or set off whatsoever regardless of any pending dispute between the Parties.
- 5.6 No new Purchase Orders shall be processed in the event there are outstanding amounts which remain unpaid sixty (60) days from the expiry of the terms of payment under the credit facility granted by Neptronic to the Customer.
- 5.7 Without limiting the provisions contained in this Article 5, in addition to its other recourses under the law, as security for payment for a Product, Neptronic shall have the right to denounce its contract with the Customer to the owner of the building in which the Product is installed, the whole in accordance with the provisions of the *Civil Code of Quebec* or other corresponding legislation applicable in a jurisdiction other the Province of Quebec.

6. TITLE AND TRANSFER OF OWNERSHIP RIGHTS

- 6.1 The Customer hereby acknowledges that the ownership title to and in Product(s) shall remain vested with Neptronic until paid in full, at which time it will pass to the Customer.
- 6.2 The foregoing shall not apply to any software which may be provided with or embedded in a Product as an integral part for the operation or application thereof, whether developed independently or modified by Neptronic to the specifications of and paid for by the Customer.

In such cases, the ownership title to and in such software shall always remain vested with Neptronic. The Customer will benefit from a restricted software license as set forth in Section 6.3 below.

- 6.3 The Customer shall use the operational software solely and uniquely for the purpose and use for which it was intended, namely for operating the purchased Product and strictly in accordance with the instructions provided by Neptronic. This restricted license to use such operational software is hereby granted on the condition that the Customer shall not copy, modify or create derivative works based on such operational software, or decompile, disassemble, reverse engineer, or otherwise attempt to derive source code from such software, in whole or in part.

7. TERMS OF DELIVERY, SHIPMENT, DAMAGE AND RISK OF LOSS

- 7.1 Unless otherwise indicated in the Confirmation Order, all Products will be shipped EXW (Ex Works Neptronic's facility, Montreal) and all risk of loss or damage shall be borne by the Customer as of the time of delivery at Neptronic's facility in accordance with the terms of *Incoterms 2020*. In cases where Neptronic takes on the responsibility to choose a carrier to ship a Product, the Customer shall assume all risk associated with the loss and/or damage of the Product and Neptronic shall be released of any liability as of the moment the Customer signs the packing slip upon delivery. When the terms of sale are on a CIF basis, *Incoterms 2020*, all risk associated with the loss and/or damage of the Product shall be assumed by the Customer upon signing of the packing slip in the port of delivery.
- 7.2 Delivery times are approximate and depend on the type of Product(s) ordered.
- 7.3 The Customer acknowledges that Neptronic requires sufficient lead times to manufacture the Product(s) ordered by the Customer. Neptronic will make commercially reasonable efforts to deliver orders within the times Neptronic has quoted to the Customer in writing. The times quoted for delivery will be from the date of the Order Confirmation and delivery by the Customer of all necessary information to enable Neptronic to commence manufacturing, whichever is later.
- 7.4 Neptronic will confirm in writing, and may amend as appropriate or necessary, the delivery schedule. In no event Neptronic will be liable for any costs, losses or damages, arising out of or caused by delay in delivery or for non-delivery of Product(s), due to unforeseeable events beyond Neptronic's control or *Force Majeure*.
- 7.5 Except in the case of special instructions to the contrary agreed upon by Neptronic and the Customer, Neptronic will, at its sole discretion, select the most appropriate independent carrier to ship Product(s) to the Customer, without guaranteeing, however, that such carrier will offer the most cost-effective means of transportation.
- 7.6 Product(s) will be shipped to the Customer's address indicated on the Purchase Order.

- 7.7 Neptronic does not assume any liability in connection with the shipment nor shall the carrier be deemed to act as its agent. The Customer shall be responsible for making all claims relating to non-delivery, loss, damage or delay sustained during transportation with the carrier or, as the case may be, with the Customer's insurers.
- 7.8 For international Purchase Orders, the Customer shall designate the freight forwarding agent and inform Neptronic in writing of same and such designation shall remain in effect until notified otherwise.
- 7.9 The Customer shall at the latest within five (5) days of delivery of Product(s) to the Customer's address, advise Neptronic and the carrier in writing of any loss or damage sustained during transportation, the whole without any liability on the part of Neptronic for such loss or damage whatsoever.
- 7.10 The Products held or stored by Neptronic for the Customer shall be at the sole risk of the Customer, and the Customer shall be liable for the expense charged by Neptronic for holding or storing Products at the Customer's request.

8. RETURN OF PRODUCTS

Return of Product(s) shall be subject to the following conditions.

- 8.1 Any Product that qualifies for a return, as specified hereinafter, may not be returned without Neptronic's written authorization and unless a number assigned Return Material Authorization Form ("**R.M.A. Form**") has been issued by Neptronic to the Customer.
- 8.2 Unless otherwise stated on the R.M.A. Form, any Product deemed qualified for a return, in accordance with this Article 8, shall be in its original condition and sent to Neptronic's facilities located at 400 Lebeau, Montreal (St-Laurent), H4N 1R6, Canada, together with a duly completed R.M.A. Form which shall be visibly placed on the return shipping packaging.
- 8.3 Returned Products, which are not shipped back to Neptronic in conformity with this Article 8, shall be deemed unauthorized and shall be refused by Neptronic.
- 8.4 Provided that all conditions set forth in this Article 8 regarding authorized returns are met and provided further that an authorized return occurs within 30 days from delivery of the Product to the Customer, Neptronic will issue a refund or credit, as the case may be, to the Customer which shall be subject to a 50% restocking fee. No returns will be authorized after the expiry of said 30-day period.
- 8.5 Shipment of returned Product(s) to Neptronic shall be freight prepaid and any Product(s) shipped freight collect shall be refused.

- 8.6 Electric heaters, duct heaters, steam distributors, humidifiers: SKD, SKA, SKV, SKH, SKG, SKS, SK300, SKE, SK300XL, and any humidifier with an outdoor enclosure, actuated valves and Products which have been customized for the Customer in accordance with the Customer's specifications are non-returnable.
- 8.7 Except where the ordered Product does not conform to the Purchase Order and the Order Confirmation, the Product shall be deemed not qualified for a return in the event the Customer becomes aware that the Product, through no fault of Neptronic, is not suitable for the Customer's intended use and purpose.

9. WARRANTY

- 9.1 Provided that the terms of payment are respected and no outstanding amounts are due to Neptronic, Neptronic shall provide a warranty on its Products for a period of: (i) twenty-four (24) months from the date of delivery, subject to Section 9.6 below, with the exception of actuators which are warranted for a period of thirty-six (36) months, and valves which are warranted for a period of twelve (12) months ("**Warranty**").
- 9.2 A claim made under Warranty does not release the Customer from its obligation to pay all amounts due for the Product(s) and Neptronic reserves its right not to process any such claim until all amounts due have been paid by the Customer.
- 9.3 The Warranty covers faulty manufacturing, design and/or defective materials and is limited to the Product(s) and components.
- 9.4 The Warranty does not cover any labor costs or costs resulting from the loss of usage that may be incurred by the Customer in connection with a claim under the Warranty.
- 9.5 The Warranty shall be cancelled and cease to be valid in the event of improper installation, failure to operate the Product in accordance with the Product manual or to comply with Neptronic's instructions, incorrect use thereof or for any other cause not attributable to defects of material or workmanship on the part of Neptronic.
- 9.6 In no event shall the Warranty apply in the event of physical damages to the Product(s) as a result of improper handling, storage or transportation during or after shipment.
- 9.7 Neptronic shall, at its discretion, repair or replace the Product or a component thereof, which Neptronic determines to be defective or issue a credit therefor.
- 9.8 Where Product or its component purchased from Neptronic is manufactured by a third party, the warranty for such Product(s) shall be deemed to be the warranty offered to Neptronic by such third-party manufacturer but in no event will such warranty exceed the terms of Neptronic's Warranty.

9.9 Parts which have been repaired or replaced shall carry a warranty for the period corresponding to the balance remaining on the Warranty on the original Product, or ninety (90) days, whichever is longer.

9.10 The defective Product(s), components or parts covered under the Warranty shall be returned to Neptronic in accordance with Article 8 hereof, save and except for the cost of freight which shall be paid by the Customer. Neptronic is not responsible for any expenses incurred in connection with travelling time, dismantling and remounting.

9.11 Any repair done after the expiry of the Warranty on the original Product shall be warranted for a period of one (1) month from the date of repair.

10. FAIL-SAFE SYSTEM, DISCLAIMER, LIMITATION OF LIABILITY AND INDEMNIFICATION

10.1 Fail-Safe System. The Customer acknowledges that there can be no certainty or assurance that Products will always be error-free and not subject to failure. Therefore, the Customer will be responsible for taking appropriate safety precautions and measures to handle and deal with such possibility of product failure or malfunction in the context of operating or maintaining equipment controlled by a particular Product. In this respect, the Customer shall establish appropriate procedures and take the necessary measures in order to ensure to have in place an adequate fail-safe system to prevent any damage, harm or other adverse consequence or impact resulting from such error or failure.

10.2 Disclaimer. THE CUSTOMER AND END USER EXPRESSLY UNDERSTAND AND AGREE THAT NEPTRONIC'S PRODUCTS ARE PROVIDED BY NEPTRONIC "AS IS" AND "AS AVAILABLE." NEPTRONIC AND ITS AFFILIATES DISCLAIM ALL WARRANTIES OF ANY KIND (EXCEPT AS OTHERWISE STATED HEREIN), WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT. IN PARTICULAR, NEPTRONIC AND ITS AFFILIATES DO NOT WARRANT THAT (i) THE PRODUCT AND/OR ANY RELATED SERVICES WILL MEET THE CUSTOMER'S REQUIREMENTS (ii) THE CUSTOMER'S USE OF THE PRODUCT OR RELATED SERVICE WILL BE FREE FROM FAULTS OR ERRORS (iii) THE PRODUCT OR RELATED SERVICE WILL FUNCTION IN AN UNINTERRUPTED AND SECURE MANNER.

10.3 Limited Liability. THE CUSTOMER EXPRESSLY UNDERSTANDS AND AGREES THAT, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEPTRONIC AND ITS AFFILIATES, SUBSIDIARIES, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, PARTNERS AND LICENSORS SHALL NOT BE LIABLE TO FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF PROFITS, GOODWILL, USE, DATA, COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, OR

OTHER TANGIBLE OR INTANGIBLE LOSSES (EVEN IF NEPTRONIC HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), ARISING FROM OR RELATING TO: (i) THE INCORRECT USE OR INABILITY TO USE THE PRODUCT IN ACCORDANCE WITH NEPTRONIC'S INSTRUCTIONS (ii) ANY CHANGES MADE TO THE PRODUCT; (iii) MISHANDLING THE PRODUCT OR FAULTY INSTALLATION THEREOF; or (iv) IN THE EVENT THE PRODUCT IS NOT FIT FOR THE PARTICULAR USE INTENDED BY THE CUSTOMER.

10.4 Limitation of Remedies. IN NO EVENT SHALL NEPTRONIC'S CUMULATIVE MONETARY LIABILITY IN CONNECTION WITH THE PRODUCTS PURSUANT TO THIS AGREEMENT EXCEED THE CUMULATIVE AMOUNTS PAID BY THE CUSTOMER FOR THE PRODUCTS OR ASSOCIATED SERVICES IN THE TWELVE (12) MONTH PERIOD PRECEDING AN OCCURRENCE GIVING RISE TO SUCH LIABILITY, UNLESS AS MAY OTHERWISE BE REQUIRED UNDER APPLICABLE LAW.

10.5 Indemnification by Customer. The Customer agrees to defend, indemnify and hold Neptronic, its Affiliates, directors, officers, employees, agents, partners, contractors, and licensors harmless from any claim or demand, including reasonable attorneys' fees, made by a third party, relating to or arising from (i) the Customer's use of the Products or related services; (ii) any claims for actual or alleged infringement of patents, copyright, trademarks, trade secrets or other industrial or intellectual property rights or (iii) violation by Customer of any of these terms and conditions.

10.6 Indemnification by Neptronic. Neptronic shall, at its own expense, defend or, at its option, settle any claim, suit, or proceeding brought against the Customer by a third party for infringement or misappropriation of any intellectual property or other proprietary right of any third party in connection with the sale of the Products under the terms of this Agreement.

11. INTELLECTUAL PROPERTY RIGHTS

11.1 The Customer acknowledges and confirms that all Intellectual Property Rights in and to the Intellectual Property used, utilized or embodied in the Products are the sole and exclusive property of Neptronic and/or, as the case may be, its Affiliates.

11.2 The sale of any Product(s) under the terms of this Agreement does not and shall not be deemed to convey upon the Customer or any other third party any express or implicit license or right to the Intellectual Property by implication or otherwise with respect to the Product(s).

11.3 Under no circumstances will a sale of a Product to an OEM be deemed to be a transfer of Neptronic's Intellectual Property Rights to such OEM regardless of the nature of the Product's customization.

11.4 The Customer and its Affiliates shall not do anything, pose any act or take any action, nor allow any other third party to do so, that would violate or infringe in any way whatsoever, upon the Intellectual Property Rights. Should the Customer and its Affiliates learn that such Intellectual

Property Rights are being infringed by a third party, the Customer shall promptly advise Neptronic of such violation or infringement.

12. CONFIDENTIAL INFORMATION

12.1 The Customer acknowledges that the Products and associated technology and processes purchased from Neptronic contain valuable Confidential Information and therefore, the Customer agrees (i) to hold all Confidential Information in strict confidence in accordance with the terms of this Agreement; (ii) not to use the Confidential Information for any purpose other than the permitted use and purpose pursuant to this Agreement; and (iii) not to disclose any Confidential Information to any third party except who have a need to know the Confidential Information for the sole purpose and use under the terms of this Agreement. The Customer agrees to promptly advise Neptronic of any improper disclosure, misappropriation or misuse of the Confidential Information that comes to your attention. The Customer shall be responsible for any breach of the terms hereof including a breach committed by any of your authorized agents or representatives and any other person to whom you may have disclosed the Confidential Information in the course of this Agreement. The Customer agrees to take appropriate measures and ensure proper safeguards to keep the Confidential Information out of the possession of or access by persons who are not authorized under the terms of this Agreement.

13. GENERAL PROVISIONS

13.1 **Entire Agreement.** The transaction of purchase and sale of Product(s) in accordance with the provisions of this Agreement shall constitute the entire agreement between the Customer and Neptronic Any modification or change to the Agreement shall not be enforceable unless agreed upon by the Customer and Neptronic in writing.

13.2 **Notices.** Except as otherwise provided in the Agreement, all notices and other communications between the Customer and Neptronic shall be in writing and shall be deemed effective when received and shall be transmitted by: (i) registered or certified mail, return receipt requested, (ii) express mail or courier or delivery service, (iii) personal delivery, (iv) electronic mail or (v) fax.

13.3 **Force Majeure.** With the exception of payment of amounts due under the Agreement, no default, delay or failure to perform on the part of either party shall be considered a breach of the Agreement of the parties if such default, delay, or failure to perform is due to any event constituting *Force Majeure*.

13.4 **Governing Law.** The Agreement between the Parties shall be governed by and construed in accordance with the laws of the Province of Quebec and Canada, applicable therein without giving effect to principles of conflicts of law rules that may direct the application of the law of another jurisdiction and excluding application of the United Nations Convention on Contracts for the International Sale of Goods. The Parties expressly exclude the effect of all of the provisions of the U.N. Convention on Contracts for the International Sale of Goods. Each Party hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the Province

of Quebec for any litigation or dispute arising from or relating to the Agreement between the Customer and Neptronic and the Parties confirm and agree that the exclusive venue for any such litigation shall be vested with a court of competent jurisdiction located in the Judicial District of Montreal.

13.5 Language. In the event of a conflict of interpretation between the French and English versions of the Terms and Conditions of Sale posted on the Neptronic Website(s), the provisions set forth in the French version will prevail.

(effective as of October 16, 2025)

The present Terms and Conditions of Sale are in force as of the above-mentioned date and are subject to change at any time without notice. Each time you use this Neptronic Website, you should check the date of these Terms and Conditions of Sale and any transaction concluded between you and Neptronic shall be governed by these Terms and Conditions of Sale then in force.