

TO: Costas Pashartis
CoPa Engineering Ltd
29 Rolling Acres Drive
Kitchener ON

SUBJECT: Waterdown Secondary School
DC-1 Proposal

Thank you for your interest in the Nederman product line from which we have determined a specific solution for your needs. Nederman has the proven experience and confidence with hundreds of thousands of installations worldwide which have developed into strong, reliable relationships and numerous referrals. We offer design, engineering, project management, commissioning, and ultimately continued support from and access to your Nederman project team once your system is installed.

In 1944, Nederman was founded in Sweden by Philip Nederman and has become a pioneer in developing solutions for air pollution control inside production facilities, protecting workers health and improving their workplace by creating safe and clean working environments while boosting production efficiencies making our products both ecologically efficient and economically efficient. In our vision we combine these two concepts under a common name: eco-efficiency.

We appreciate the opportunity to provide you with this comprehensive detailing of our proposed solution, and look forward to a continued relationship.

As a reminder, ALL combustible dust must be officially tested and figures provided by the end user.

Please feel free to contact me at any time. We look forward to working with you in the near future.

Respectfully,

Arsalan Riaz (SAM)

Arsalan Riaz (SAM)
arsalan.riaz@nederman.com
Mobile: 437-298-5168

The Nederman Advantage

Numerous filtration applications

The NFPZ3000 has been used for the collection of a wide variety of materials and is fantastic for high air flows and higher loadings of saw dust, sanding dust, lacquering dust and shavings from the woodworking industry as well as other fibrous materials such as mineral wool, paper strips, and plastic.

Modular Construction

Thick, solid steel walls do not always equal a better collector. In fact, you might be paying more for more than you need for an over-engineered unit.

Nederman has constructed this unit from galvanized, formed steel panels which make for a very uniform and rigid body designed precisely to withstand the rigors of dust collection process. Being galvanized and having no weld spots, these panels provide exceptional corrosion resistance and a very tight seal. Units are assembled in house which gives us an extraordinary level of quality control. This eliminates the need to outsource fabrication, passing those savings directly on to you. In the fortunate event that your facility requires increased capacity, our unit is expandable due to this modularity. Powder coating options are available.

Low profile design allows installation within existing buildings or the option to locate the filter outside while avoiding conflict with height restrictions commonly enforced by local codes.

Explosion Protection

With modularity in mind, this Nederman unit is engineered and tested to withstand and aid in explosive events for St1 or St2 dust as covered by ATEX and similarly with the NFPA. Inspection doors double as explosion relief doors standard. Units are also available with explosion isolation flaps, high speed abort gates for worker safety when recycling air, and full spark detection and extinguishment packages.

Nederman SUPERBAGS - The Heart of the System

Superbags are made of 100% seamless polyester, weigh 16 oz/sqft, and collect material on the inside of the bag. The bags utilize a patented, unique weaving technique in tubular format giving the filter bag a strong, durable surface which can stand up to the varying dust loads. This results in better filtering efficiency, easier cleaning, and low pressure drops, typically ranging from 0.5" to 1.5", reducing the need for humongous fans and savings on capital equipment and energy. Superbags also have an interwoven carbon fiber wire which provides higher anti-static properties - both on the surface and inside - than traditional filter bags. This reduces the risk of fire and explosion as fine particles are removed from your system.

No compressed air requirement

Bags are cleaned with an automatic or manually controlled shaker mechanism, much cheaper than having compressed air on hand and eliminates the extra parts and popping and hissing of diaphragm valves. Our system is controlled by a single PLC adding no additional ongoing costs.

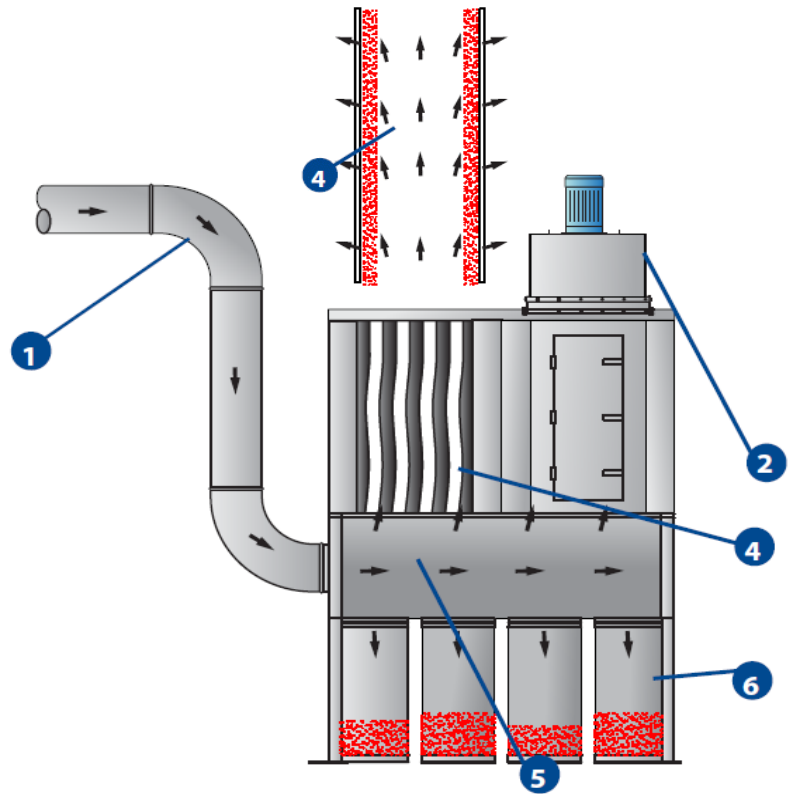
Multiple waste collection options

The unit is equipped with 42 gallon barrels with large sight glasses to give you a visual cue when any barrel needs to be changed out. Each barrel utilizes lever lock clamps for a tight seal and quick release. Barrels also come equipped with handles on opposite sides to aid in disposal or transfer of contents.

How the NFPZ Works (Model 4HE/LE pictured)

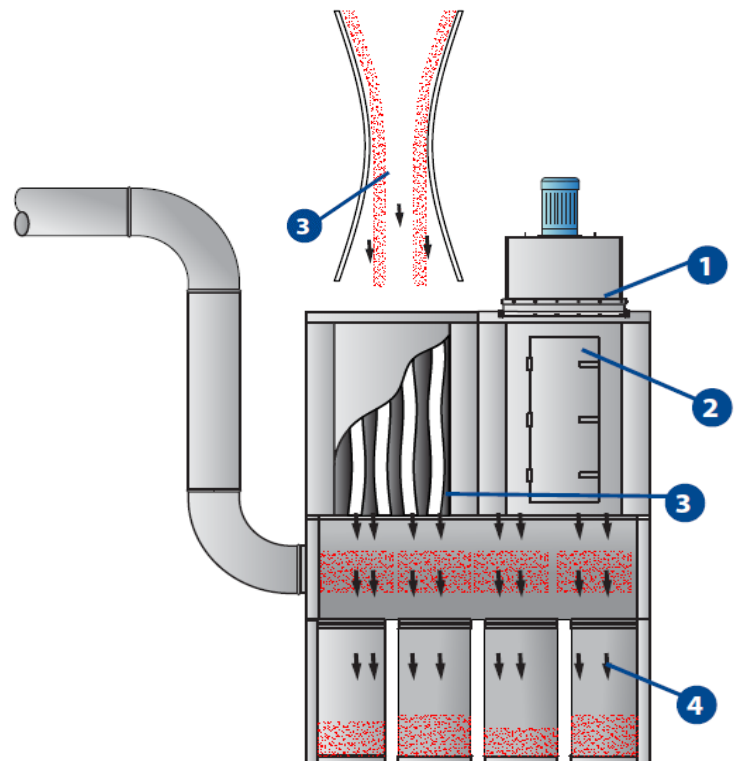
During normal operation

1. During normal operation, the dust laden air from the plant travels down the supply duct (1).
2. The dust then enters the hopper section (5) of the filter.
3. The air decelerates and heavier dust and shavings fall into the hopper area, finding their way into the collection barrels (6).
4. The remaining dust then travels up into the inside of the filter bags (4).
5. The air, which originated from the plant, is now clean and passes through the filter bag into the fan (2) and can exhaust to outside or be ducted back to building via properly designed return air system.



While cleaning

1. The NFPZ filter cleans when the system is "off-line" when the fan (1) has stopped rotating.
2. The shaker mechanism (2) can automatically controlled, operating for a set period of time, or manually jogged as needed.
3. The dust which remains on the inside of the filter bag (3), after the 'shake', is loosened from the filter fabric through vibration.
4. The loose dust falls into the hopper area, finding its way into the collection barrels (4).



Scope of Supply

Description	Nederman	Client
Filter Unit	Included	
System Fan	Included	
Filter Unit Barrels	Included	
Filter Access Catwalks	Not included	
Electrical Starters For Nederman Supplied Motors	Included	
Shaker Mechanism	Included	
Control Panel	Included	
Process Ductwork (Dirty Air)	Not included	
Return Air Ductwork (Clean Air)	Not included	
Obtaining Building, Air Or Water Permits	Not included	
Delivery and Unloading	Included	
Foundations & Site Preparation	Not included	
Mechanical Install of Nederman Equipment - see Summary for Number of Mobilizations Included	Not included	
Rental Of Crane for Unloading	Included	
Field Wiring For Nederman Supplied Equipment	Not included	
Start-Up Assistance & On Site Training - see Summary for Number of Trips Included	Included	
Spark Detection Kit (Detect – Extinguish – Detect)	Included	
Plumbing Of Spark Detection And Sprinkler	Not included	
Pipe Wall Penetrations	Not included	

Integrated Controls

A fully pretested before shipment, Programmable Logic Controller (PLC) provides all control functions for automatic operation and supervision of your dust collection system and provides for easy re-programming should the system later be expanded.

All functions and controls can be accessed through a touch screen mounted on front of the control panel.

Client will be responsible for mounting and wiring of the main control panels and all field and control wiring which will also be equipped with a set of dry contacts in order for you to supply an audible or visual alarm if needed.



All motor starters less than 5 HP required for air movement fan(s), regeneration fan(s), airlock(s), etc. are included in the main control panel. Unless otherwise specified, they will be supplied to suit the same voltage as the main fan motors. All other starters are supplied for remote mounting external to the control panel.

Spark Detection and Extinguishment System

Unfortunately you will never see an explosion coming, but our spark detection system will.



Nederman only works with industry leaders of customized industrial process fire prevention and protection equipment that specialize in the protection of facilities that handle combustible dusts that utilize pneumatic dust collection and air filtration systems. With numerous installations under our belt, we are confident that this system will be perfect for you.

Dust collectors are the primary piece of equipment associated with dust explosions due to the sheer volume of dust in one location. It has been estimated that 70 - 80% of all industrial explosions where combustible dusts are handled are generated within a dust collector.

It commonly takes 5 elements for an explosion to occur: fuel (your combustible dust), oxygen (air), dispersion (dust suspended in air), confinement (the dust collector), and an ignition source (typically a spark).

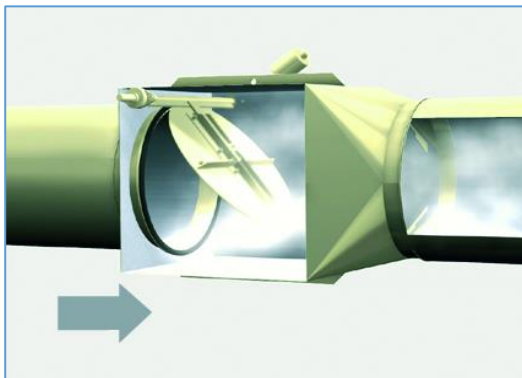
In an operational dust collector, the first 4 items are constant and all that is necessary for an explosion to occur is the introduction of a tiny spark or glowing ember into this potentially dangerous environment.

Our system can sense a spark, ember or burning substance in the ductwork upstream of the collection equipment and suppress it with a minimal amount of water in milliseconds before it can travel further downstream and become an ignition source for a fire or explosion. This simple and straightforward prevention approach minimizes or eliminates production interruption and can be implemented at a reasonable cost. The flexibility of the system allows its use with various components and in various system protection designs.

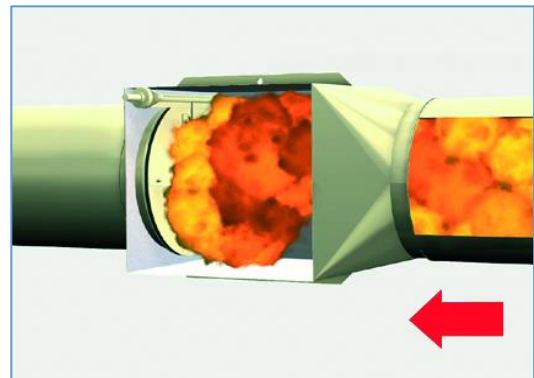
Nederman Explosion Isolation Flap Valve(s) (EIFV)

The Explosion Isolation Flap Valve (EIFV) prevents the devastating effects of a pressure wave and flame front from a dust explosion downstream from traveling back upstream along the ductwork which it is fitted, saving other valuable pieces of capital equipment as well as the lives of your employees.

During normal operation the air-flow goes from the machines through the EIFV damper and into the dust collector.



Normal Operation



Explosion / Deflagration

In the event of an explosion / deflagration the force of the blast will close the flap in the EIFV damper and prevent the fire to reach any further into the facility.

Our EIFV dampers are ATEX compliant (similar to NFPA) and have been specifically chosen based on your KST value and designed to handle the pressure of an explosion in the dust collector.



Note: EIFV dampers are **NEEDED IN ORDER TO BE COMPLIANT** with NFPA 664 section 8.2.4 (wood only) & NFPA 654 section 7.1.5 (general industries).

Your system has 1 EIFV zone(s) with the following parameters:

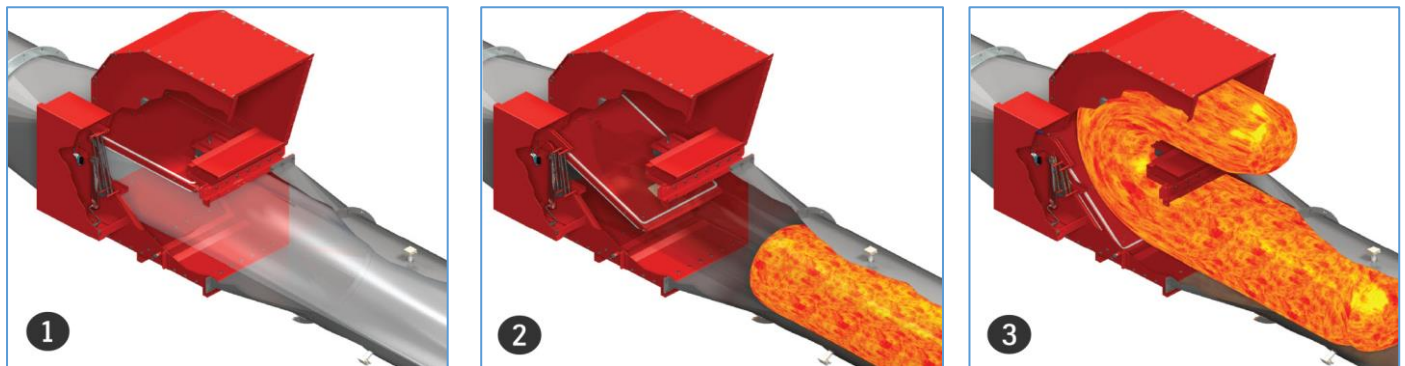
EIFV Zone	Valve Duct Diameter Size and Rating
1	18" / 450 mm, Flanged, Up to and including ST2

Nederman High Speed Abort Gate(s)

Nederman's own, elite High Speed Abort Gate (HSAG) isolates the workspace from an explosion by way of diverting the path of sparks, hot embers and burning materials out of the dust collection system to a designated safe zone. This is a very important piece of equipment when distributing the return air back into the facility.

Each unit is tested for closure time before shipment and meets NFPA 664 and 654 requirements, fitted with high temperature seals on top and bottom doors to eliminate leakage, constructed strong, bolted for ease of maintenance, and has a UL approved control panel.

Nederman also partners with leaders in the spark detection and extinguishment industry to activate the equipment or prevent occurrences prior to the ultimate activation of the abort gate.



1. Normal System Operation

An electromagnet holds the door up in the "armed" position so air can travel unimpeded down the pipe, and back into the facility.

2. Fire or Explosion Risk Detected

An "abort" signal is triggered by the spark detection system or sprinkler system and is sent to the control panel resulting in a power loss to the electromagnet. The door quickly begins to close while being assisted by acceleration springs tied to the door shaft. This is all executed in < 0.3 seconds.

3. Workspace Isolated from Risk

The final position of the door forces air to exit the HSAG Outlet and sparks, flames, and smoke are diverted parallel (pictured) or perpendicular to a safe zone. Personnel, capital equipment, and the facility are isolated from risk.

Clarifications & Exceptions

This quotation contemplates supply of equipment as quoted only.
Ductwork, Installation, and installation materials not included.
Start up and Commissioning by Nederman Factory Trained Technician Included
Delivery to site and unloading/placing on mounting pad included
Taxes extra

Dust Collector Notes:

Dust collector supplied 18 ga. Galvanized steel, bolt together construction, unpainted. Shipped in 2 parts (baghouse Nederman Dust Collector Supplied with 900sq ft, Superbag spunbond polyester bag filters
Supplied with four (4) 42 gallon drums with casters for dust discharge, with clamped connection to hopper
Supplied with top mounted direct drive 25hp exhaust fan and acoustic fan enclosure for field installation
Includes Nederman Shaker control panel and VFD for main 25hp fan
No Return Valve is Nederman CARZ-N 18" explosion isolation flap valve with dust and lock sensors
Includes Hansentek Abort Damper 20"
Includes Hansentek AN104 spark detection and extinguishing system
Includes 20in Inline Duct Silencer with Flanged Connection
Includes Top mounted EX Vent doors to direct explosion upwards. Deflector not required.

The following is a summary and pricing of the potential unit being purchased:

Design Parameters

Air volume	7,400 ACFM	# of bags in unit	50
Filter area	900 ft2	Volume collected per unit time	4 ft3 / day
Air to Cloth Ratio	8.22	Expected collector usage	8 hrs / day

Equipment Pricing

Model	NFPZ 2HE Filter Unit with (4) 42 Gallon Barrels
Quantity	1
System pressure	Negative
System voltage	575V
Integral fan	(1) NFPZ Top Mount Fan - FM 860 - 25HP - 575V
Integral fan starter or VFD	VFD(s) - (1) 25 HP
Integral fan silencer	FM 800 Silencer w/ Flange (for return air) (1)
Shaker motor cleaning control	Automatic - stop for cleaning every 4 hours
Unit catwalk / gangway	No catwalk / gangway / by others
Doors	Doors w/ locks & explosion panels on top of unit
Sprinkler pipe	Included
Smoke detector	Included

Note: Throughout the sales process and installation, the collector location and orientation may change to maintain a safe zone as a precaution for possible explosive events (if applicable) to meet local codes and regulations set by the authority having jurisdiction.

Note: The collector is designed for handling light dust loads and generally collecting less than 50 gallons of dust per 8-hour operation.

Explosion Isolation Flap Valve

Zone 1 EIFV	18" / 450 mm, Flanged, Up to and including ST2	Included
--------------------	--	----------

Additional Equipment

Spark Detection and Extinguishing System	Included
Abort Damper 20in	Included
Magnehelic Gauge Kit	Included
Wind Cross Bracing	Included
Casters for 42 Gallon Drums	Included

OTHER SERVICES

Included

Exclusions & Requirements

If the text contained within this quotation does not describe otherwise, the following items are not included:

1. Concrete foundations, pads and footing along with any engineering and stamps required to meet local conditions. (Nederman will supply weights and support leg layouts.)
2. Buildings, covers or enclosures.
3. Power distribution, fused and unfused disconnects.
4. All electrical wiring, including low voltage control and high voltage power wiring
5. Compressed air, water, and sprinkler piping.
6. Alteration to existing building or equipment, including but not limited to, penetrations, weatherproofing and wall flashings.
7. Cutting and waterproofing all wall or building penetrations.
8. Crane, forklift and scissor lift assistance.
9. Offloading of equipment upon arrival on site.
10. Applicable federal, state and/or local taxes, fees or assessments.
11. Building and/or testing permits, air quality permits or application fees.
12. Freight to jobsite.
13. If shipping dates are delayed without prior written notice to and agreement of Nederman by end-user or general contractor, customer may incur warehousing and insurance fees based on length of delay.
14. Cost of any additional parts required on the project once the final designed has been approved and signed.
15. Required PE stamped drawings mandated by the local municipalities, or governmental agencies.
16. Additional ceiling or ducting support required by local agencies, if it differs from Nederman's standards.

All field labor provided (if specified), will be non-union personnel. Any requirement to provide union labor will require a reassessment of contracted labor cost. Requirements for bonding and contractor's license will also require re-assessment.

Easy access to job site must be provided at all times and ground should be suitable for trucks and cranes. Nederman installation crews must have adequate access to the job site and lift equipment for a minimum of 10 hours a day, to include weekends and holidays. Failure to provide this access may result in additional charges.

Nederman LLC installation crews will install only the components agreed upon at the time of sale. Should the customer not have the components necessary for installation on site at the time of installation, these components will become the responsibility of the customer not to be reimbursed by Nederman LLC. Any changes to these components made during the time of installation will be subject to additional charges.

Any equipment and / or services not specified above or in the text of the proposal that may be deemed necessary prior to or following the acceptance of this proposal, are at the purchaser's expense, unless otherwise agreed to in writing and signed by both Nederman and the purchaser.

Nederman LLC will have the shipping company contact the customer at the time of shipment. It is then the responsibility of the customer to coordinate the provision of any equipment necessary for offloading with the shipping company's delivery timetable. Nederman LLC. will not be responsible for any costs incurred due to late delivery.

Motor sizes may vary – depending upon system size. Nederman reserves the right to make technical modifications in order to optimize system performance.

This quotation (its price and specifications) are valid for 30 days only and all offers are contingent on acceptance of Nederman's Terms and Conditions of Sale.

NEDERMAN CORPORATION TERMS AND CONDITIONS OF SALE

Doc. #: DSD00004, Rev 8 (June 19, 2020)

1) CONTRACT AND ACCEPTANCE

The terms and conditions of sale set forth herein, and all drawings, specifications, descriptions and other documents attached hereto and incorporated herein by reference including, without limitation, Seller's proposal and the Scope of Supply and Exclusions and Project Requirements (all such documents collectively, the "Agreement"), constitute the entire agreement between Nederman Corporation ("Seller") and the individual or entity identified on Buyer's purchaser order, or, if different, on Seller's quote ("Buyer"). SELLER'S ACCEPTANCE OF BUYER'S ORDER IS EXPRESSLY CONDITIONED UPON BUYER'S ASSENT TO THE TERMS OF THE ENTIRE AGREEMENT. The terms and conditions of the Agreement shall prevail over any conflicting or different terms in Buyer's order unless (1) Buyer notifies Seller in writing of its objections thereto within fifteen (15) days from receipt of Seller's acknowledgment and (2) Seller agrees in writing to Buyer's objections. Seller specifically rejects, and Buyer disclaims, all pre-printed provisions in Buyer's purchase order and any other Buyer forms or documents. The failure of Seller to object to any provision in conflict herewith contained on Buyer's purchase order or otherwise, shall not be construed as a waiver of the provisions hereof nor as an acceptance thereof. Seller's proposal is only preliminary unless it is otherwise confirmed. If any of the terms and conditions of Seller's proposal conflict with these terms and conditions of sale, those contained in the proposal shall prevail. For purposes of these terms and conditions, (i) "Products" means any machinery, apparatus, part, equipment, accessories, materials or supplies provided by Seller to Buyer pursuant to Seller's proposal and these terms and conditions, and (ii) "Services" means any services provided or sold by or on behalf of Seller pursuant to Seller's proposal and these terms and conditions.

2) PRICES AND ACCEPTANCE

All prices are F.O.B. Seller's plant or shipping point and do not include crating. Crating and shipping is made to the best of Seller's knowledge, but Seller is not to be held responsible. Crating is charged at Seller's cost and is not returnable. Unless Seller elects to deliver in lots as provided herein or Seller otherwise agrees, payment is payable in cash at Seller's place of business without any deductions. Charges for other forms of payment are payable by the Buyer:

- a) Initial business relation, repairs, etc. will be C.O.D.
- b) Product deliveries are payable as follows:
 - 30% Due at Confirmation of Order
 - 30% Due at Drawing Approval
 - 30% Due Upon Notice of Readiness for Shipment
 - 10% Net 30 days from Shipment
- c) Nederman Insight fees are payable as specified in Section 18).

Any payment not made within five business days after the due date for such payment will be charged with interest at a rate equal to the lesser of (i) 1.5% per month or (ii) the maximum amount permitted by law. Buyer may not make any deduction from any payment without the Seller's prior written agreement.

3) SHIPPING SCHEDULE AND DELIVERY

Seller will establish shipping schedules that are close as practicable to Buyer's requested delivery date. However, Seller will not be responsible for deviations in meeting shipping schedules, nor for any losses or damages to Buyer (or any third person), occasioned by deviations in the performance or the non-performance of any of Seller's obligations under this contract or by loss of or damage to the Products directly or indirectly attributable to or in any manner arising from any act of Buyer, any Force Majeure Event, or any other cause beyond Seller's control or the control of its supplier or subcontractors. Seller reserves the right to ship in advance of any of Buyer's requested dates, except as specifically agreed by the parties. Notwithstanding any provision hereof to the contrary, Seller reserves the right to make delivery in lots. Upon delivery of each lot, Seller shall have the right to immediately invoice an appropriate portion of the total purchase price for the Products. Should shipment be held beyond scheduled date for the convenience of the Buyer or otherwise at the request of the Buyer, then in addition to any other rights or remedies specified herein, the Seller reserves the right to bill immediately for the Products and to charge Buyer for warehousing, insurance, trucking charges, mobilization and demobilization costs and expenses, and all other costs and expenses incident to or occasioned by such delay.

4) TITLE AND RISK OF LOSS

Title to any Product shall only pass upon Seller's receipt of payment in full for such Product. Risk of loss for all Products shall transfer in accordance with the delivery term set forth in Seller's proposal. Any claim for loss or breakage (obvious or concealed) is Buyer's responsibility and should be made to the carrier immediately. Seller will render Buyer reasonable assistance in securing satisfactory adjustment of such claims. Any notices of shortages or other errors must be made to Seller via phone and with fax or email notification within 24 hours after receipt of shipment. Failure to give such notice shall constitute unqualified acceptance and a waiver of all claims by Buyer.

5) TRANSPORTATION CHARGES AND ALLOWANCES

No freight is allowed unless stated in Seller's proposal (if any). If Seller's proposal states that freight (if any) is allowed, all prices are F.O. B. Seller's shipping point with most economical surface transportation allowed. If the quoted price includes transportation, Seller reserves the right to designate the common carrier and to ship in the manner it deems most economical. Added costs due to special routing requested by the Buyer are chargeable to the Buyer. Under no circumstances is any freight allowance which is absorbed by Seller to be deducted from the selling price. If the quoted prices include transportation, no reduction will be made in lieu thereof whether Buyer accepts shipment in factory, warehouse, freight station, or otherwise supplies its own transportation.

6) TAXES

Seller's prices do not include any applicable sales, excise or similar taxes and duty. If under law or governmental regulation now or hereafter in effect, the Seller is required to pay or collect any tax upon the products included in this order or predicated upon, measured by or arising from the sale, transportation, delivery, use or consumption of the Products or Services, whether directly or indirectly, the prices to be paid by the Buyer hereunder shall be increased by the amount of such tax. Buyer agrees to pay such tax as part of the purchase price. Buyer also agrees that such payment for taxes shall be made even if Seller learns of taxes due pursuant to the delivery and receipt of final payment.

7) PRODUCT

The Seller agrees to supply the Buyer with components from Seller's standard program. Upon request of Buyer, Seller shall advise Buyer with respect to product compliance with specified local laws or recommendations of authorities, such as environment, energy, fire protection, structural design, department of labor, insurance and other state and federal agencies; provided, however, that such advice does not create or give rise to any express or implied warranty of fitness for particular or intended purpose or any other right or warranty beyond those specified herein. Buyer shall be solely responsible for such compliance, and Seller shall incur no liability for such compliance. Seller shall further incur no liability on account of any failure to comply with any local laws or such recommendations. Any application and permits required for erection and installation of our products shall be the sole responsibility of the Buyer and shall be obtained by the Buyer. Any alteration or modification necessary to the building/foundation upon which our products are erected is the sole responsibility of the Buyer. In addition, Buyer shall, at Buyer's sole cost and expense, be responsible for testing any combustible dust and providing to Seller such testing results and any related reports.

8) INSTALLATION AND SITE PREPARATION

If Seller has agreed to install the Products, Seller warrants that such installation will be performed in a workmanlike manner. Buyer shall pay all costs of installation, including the cost of any modifications to Buyer's plant and equipment which are necessary to accommodate the Products. SELLER SPECIFICALLY DOES NOT WARRANT THAT SUCH MODIFICATIONS WILL NOT BE NECESSARY. In addition, Buyer shall be responsible for all site preparation including, without limitation, all site preparation and other items (i) identified as Buyer's responsibility in the Scope of Supply and (ii) included in the Exclusions and Project Requirements.

9) WARRANTIES

Seller warrants that the Products sold hereunder conform to any applicable drawings and specifications accepted in writing by Seller and will be free from any defects in material and workmanship which become apparent under normal use, and of which Buyer gives written notice to Seller within a period of 12 months from the date of shipment. If, within that period, the Seller receives from Buyer written notice of any alleged defect in or nonconformance of any Product and if, in Seller's sole judgment, the product does not conform or is found to be defective in material or workmanship, then Buyer shall, at Seller's request, return the part or product, F.O.B. Seller's shipping point, and Seller, at its option and expense, shall repair or replace the defective Product or part thereof or repay the Buyer the full price paid by Buyer for Product or part thereof. Dismounting and reinstallation of defective or non-conforming parts is done at Buyer's expense. The warranty for any spare parts or replacements of non-conforming parts expires when warranty for original Products or parts thereof expires. Any repayment of purchase price shall be without interest. Buyer shall afford Seller a reasonable time and opportunity to correct all such defects or nonconformities. Seller's sole responsibility, and Buyer's exclusive remedy hereunder shall be limited to such repair, replacement, or repayment of the purchase price as above provided, which constitute Seller's entire and exclusive liability for any claim for damages for breach of warranty in connection with the Products and Services. THE WARRANTIES IN THIS SECTION 9 ARE EXCLUSIVE, ARE MADE ONLY TO THE BUYER AND DO NOT COVER THE EFFECTS OF ABRASION, CORROSION, EXPLOSION, EROSION OR CHEMICALS, OR OTHER DETERIORATION OR DEGRADATION OF THE GOODS OR PARTS THEREOF DUE TO THE PHYSICAL ENVIRONMENT WHERE THE GOOD IS LOCATED, OR DUE TO ELECTRICAL OR ELECTROMAGNETIC NOISE ENVIRONMENT OR ABNORMAL CONDITIONS OF TEMPERATURE OR DIRT. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 13, SELLER SPECIFICALLY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY SELLER OR ITS EMPLOYEES, WHETHER BEFORE OR AFTER THE DATE OF THE ORDER, SHALL CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF THIS WARRANTY. The warranties of Seller do not cover, and Seller makes no warranty with respect to:

- a) failures not reported to Seller within the warranty period specified above;
- b) failure or damage due to misapplication, abuse, improper installation or abnormal conditions of temperature, dirt or corrosive matter;
- c) failures due to operation, either intentional or otherwise, above rate capacities or in an otherwise improper manner;
- d) products which have been in any way tampered with or altered by anyone other than an authorized representative of Seller;
- e) products damaged in shipment or otherwise without fault of Seller;
- f) expenses incurred by Buyer in an attempt to repair or rework any alleged defective product;
- g) defects in material and workmanship which are attributable to drawings and specifications provided by Buyer; and
- h) any electrical issues and component failures (Motors, VFDS, PLC) where either (1) a licensed electrician has not performed the field power and control wiring and/or (2) the electrician has not followed nationally recognized best practices.

10) PATENT INDEMNITY

Seller agrees that it will indemnify Buyer for all damages or costs to the extent resulting from any third-party suit or demand alleging infringement of any patent by any Product provided by Seller; provided that the foregoing indemnity shall not apply to the extent any damages, costs or infringement claim arises out of or is based on (i) any specifications provided by Buyer, (2) any modifications to the Products by Buyer, (3) the combination of the Products with any other parts, equipment, products or goods or (4) Buyer's use of the Products in a manner that infringes any patent, copyright, trademark, trade secret or other intellectual property of a third party. The foregoing indemnity shall also be conditions on Seller being promptly notified in writing of such suit or demand and given adequate authority, information and assistance for the defense of same. Seller shall have no obligation to assume defense of any such claim, but in the event that it does exercise such right, Seller at its own option and expense shall have the right to settle such suit or demand by procuring for the Buyer the right to continue using the Product or part thereof furnished by Seller. Alternatively, Seller may, at its expense, replace the Product or part thereof with a non-infringing Product, or may modify same so that it becomes non-infringing, or may remove the alleged infringing Product and refund the purchase price. Seller's sole responsibility and the Buyer's exclusive remedy for any such suit or demand shall be as set forth in this paragraph, and in no event shall Seller's liability under this paragraph exceed the purchase price paid by Buyer for the Products.

11) CONFIDENTIALITY

In connection with the performance of their respective obligations under this Agreement, each of each of Buyer and Seller has or may disclose Confidential Information (as defined below) to the other party. The Recipient (as defined below) shall (i) use the Disclosing Party's (as defined below) Confidential Information solely for the purposes of this Agreement, and not for any other purpose; (ii) safeguard the Confidential Information to prevent its disclosure to or use by third parties; (iii) not disclose the Confidential Information to any third party; and (iv) not reverse engineer, disassemble, or decompile the Confidential Information. In addition, no rights or licenses are granted or implied to the Recipient under any patents, trademarks, copyrights, designs, trade secrets or other intellectual property rights of the Disclosing Party except as may be specifically agreed to in writing by the Disclosing Party. Upon the Disclosing Party's request, or upon termination of this Agreement for any reason, the Recipient shall return to the Disclosing Party or destroy, at the Recipient's option, all Confidential Information of the Disclosing Party and any copies or portions thereof in whatever form. The ownership of Confidential Information and of any other patents, copyrights, designs, trademarks, trade secrets and other intellectual property rights of the Disclosing Party shall remain vested in the Disclosing Party or its affiliates. Notwithstanding the foregoing, each party, as the Recipient of Confidential Information, may retain one of copy of such Confidential Information for legal retention purposes or to maintain a record of the extent of disclosure hereunder, and shall not be required to delete electronically archived materials or information. Confidential Information so retained shall remain subject to the terms of this Agreement.

"Confidential Information" means all non-public, confidential, or proprietary information disclosed before, on or after the date of this Agreement, by either party (a "Disclosing Party") to the other party (a "Recipient") or its affiliates, or to any of such Recipient's or its affiliates' employees, officers, directors, partners, shareholders, agents, attorneys, accountants, or advisors (collectively, "Representatives"), 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," including, without limitation, all information concerning the Disclosing Party's and its affiliates', and their customers', suppliers', and other third parties' past, present, and future business affairs including, without limitation, finances, customer information, supplier information, products, services, organizational structure and internal practices, forecasts, sales and other financial results, records and budgets, and business, marketing, development, sales and other commercial strategies, the Disclosing Party's unpatented inventions, ideas, methods and discoveries, trade secrets, know-how, unpublished patent applications, and other confidential intellectual property, all notes, analyses, compilations, reports, forecasts, studies, samples, data, statistics, summaries, interpretations, and other materials prepared by or for the Recipient or its Representatives that contain, are based on, or otherwise reflect or are derived from, in whole or in part, any of the foregoing. Confidential Information shall not include:

- a) information which at the time of disclosure is published or is otherwise in the public domain;
- b) information which after disclosure becomes part of the public domain other than through a breach of this Agreement by the Recipient;
- c) information which was known to the Recipient prior to receipt from the Disclosing Party;
- d) information which becomes rightfully known to the Recipient from a source which legally derives such information independently from the Disclosing Party under this Contract;
- e) information which the Recipient can prove by written documentation has been independently developed by the Recipient, without breach of this Agreement.

If Confidential Information is required to be disclosed pursuant to judicial process, the Recipient shall, to the extent permitted by applicable law, promptly provide notice of such process to the Disclosing Party and, shall fully cooperate with the Disclosing Party in seeking a protective order or otherwise contesting such a disclosure. Disclosure of such requested Confidential Information shall not be deemed a breach of this Agreement provided that the obligations of this Section 11 are fulfilled by the Recipient.

12) NUCLEAR SALES

The Products sold hereunder are not designed or manufactured for use in or with any atomic installation or activity.

13) SELLER'S RIGHT TO MANUFACTURE

Seller in its sole discretion shall have the right to manufacture the Products provided hereunder as far in advance of its estimated shipping schedule as it deems appropriate.

14) LIMITATION OF LIABILITY

Seller’s sole responsibility and Buyer’s sole and exclusive remedy with respect to any breach of warranty shall be limited as set forth in Section 9. Seller’s total responsibility and liability for any and all claims, damages of any nature, losses, liabilities of costs of corrective efforts, including but not limited to those relating to any warranty arising out of or related to performance of this Agreement or the Products or Services covered hereunder or the performance thereof shall not exceed the purchase price. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT OR IN ANY OTHER DOCUMENT OR AGREEMENT RELATED TO THIS AGREEMENT OR THE PROVISION OF THE PRODUCTS AND SERVICES BY SELLER, IN NO EVENT SHALL (A) EITHER PARTY BE LIABLE TO THE OTHER PARTY IN CONTRACT, TORT, STRICT LIABILITY OR ON ANY OTHER BASIS, FOR ANY INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OF ANY NATURE, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR REVENUES, LOSS OF CUSTOMER GOODWILL, BUSINESS INTERRUPTION COSTS, OVERHEAD COSTS, LOST PROFITS, COSTS OF CAPITAL, OR LOSS OF USE OF MONEY OR (B) EITHER PARTY’S LIABILITY TO THE OTHER PARTY (OR ANY OTHER PERSON OR ENTITY) UNDER THIS CONTRACT, ANY OTHER DOCUMENT OR AGREEMENT RELATED TO THIS CONTRACT OR IN CONNECTION WITH THE PROVISION OF THE PRODUCTS AND SERVICES BY SELLER EXCEED THE TOTAL AMOUNT ACTUALLY PAID BY BUYER TO SELLER UNDER THIS AGREEMENT. Seller disclaims all liability for any and all costs, claims, demands, charges, expenses or other damages, either direct or indirect, incident to all property damages arising out of any cause of action based on strict liability.

15) MODIFICATION, RESCISSION AND WAIVER

This Agreement may not be modified or rescinded nor any of its provisions waived unless such modifications, rescission or waiver is in writing and signed by an authorized employee of Seller at its office.

16) SECURITY INTEREST

Buyer hereby grants to Seller a security interest in the Products being purchased hereunder and any proceeds therefrom, as security for payment of the full purchase price. Buyer agrees to execute financing statements and such other documents as the Seller may request to create and perfect this security interest. Buyer agrees not to remove the Products from the jurisdiction in which they are initially installed without Seller’s prior written consent, for so long as any portion of the purchase price remains unpaid.

17) CANCELLATION

Seller and Buyer recognize that due to the uniqueness of the Products ordered hereunder and any related Services to be performed, the calculation of damages, including, but not limited to Seller’s lost opportunity cost, which would result from cancellation or suspension of the Agreement would be difficult. Therefore, if Buyer cancels this Agreement or any order by: (a) verbally communicating such cancellation, (b) failing to meet the payment terms of the Agreement, (c) continued delinquency in paying past due balances, after Seller’s written notice of delinquency, or (d) requesting on one or more occasions that Seller suspend Seller’s performance of the contract once Seller has begun performing the Agreement, including, but not limited to design, specification, manufacturing, fabrication, assembly, procurement, shipment, delivery, installation, or start-up, for more than thirty (30) days in the aggregate from all requested suspensions (the events set forth in (a), (b),(c) and (d) collectively and each individually constituting an “Event of Cancellation”), then in addition to the amounts then owed by Buyer pursuant to this Agreement, Buyer shall, within ten (10) days of the Event of Cancellation pay to Seller the following cancellation charges based on the number of days prior to scheduled delivery that the Event of Cancellation occurs:

DAYS PRIOR TO SCHEDULED DELIVERY	PERCENTAGE OF PURCHASE PRICE FOR PRODUCTS AND SERVICES
120 to 90	20%
90 to 61	50%
60 to 31	75%
30 or less	100%

18) COSTS AND EXPENSES

Buyer agrees to pay Seller all costs and expenses, including reasonable attorney’s fees (including those on appeal) incurred by Seller in exercising any of its rights and remedies hereunder, and including specifically the collection of any outstanding balance owed to Seller by Buyer.

19) EXPORT CONTROL

a) If Buyer transfers Products and Services (hardware and/or software and/or technology as well as corresponding documentation) delivered by Seller, Buyer shall comply with all applicable national and international export (and re-export) control regulations. In any event of such transfer of Products and Services Buyer shall also comply with the (re-) export control regulations of the European Union and of the United States of America.

b) The Buyer warrants that it is not subject, directly or indirectly to any EU, US, UN or other nation’s sanctions. Seller shall not be obligated to supply any Products or Services if such supply is prevented by any impediments arising out of national or international foreign trade or customs requirements or any embargoes or other sanctions.

20) NEDERMAN INSIGHT

If Buyer elects ongoing monitoring of the products and equipment ordered hereunder, Buyer may register for an account for access to monitoring software (“Nederman Insight”) by directly contacting Seller, and Buyer’s use of Nederman Insight shall be governed by the terms and conditions of Nederman Insight at <https://www.nederman.com/en-us/service/insight/end-user-license-agreement>, Buyer’s assent to which is a condition precedent to Buyer’s use of Nederman Insight. The fee for the first year of access to Nederman Insight shall be paid as set forth in the applicable order documentation, payable net thirty (30) days of the date of the applicable order documentation.

21) FORCE MAJEURE AND SUBSTITUTIONS OR SHORTAGES

Seller shall not be responsible for any delay or failure in performance of any part of the Agreement, Seller’s quote or proposal, delivery of the Products or the performance of the Services to the extent such delay or failure is caused by an event beyond the reasonable control of Seller including, without limitation, governmental action, fire, explosion, acts of God, flood, war, terrorism, riot, accident, blockades, insurrections, riots, epidemics or pandemics, earthquakes, hurricanes, tornadoes, floods, abnormal snow or hail storms or other natural disasters, casualty, strikes or other labor trouble, shortages of labor or materials, increases in material costs, transportation difficulty, acts of the public enemy, the existence of any circumstance making performance commercially impractical (any such event, a “Force Majeure Event”). Seller reserves the right to furnish substitutes for materials which cannot be reasonably obtained because of any restrictions, voluntarily or compulsorily established by or in connection with any governmental authority or program. Seller may during any periods of shortage due to causes beyond the control of Seller or its suppliers, prorate its supply of products among all of its Buyers in such manner as may be deemed equitable in the sole judgment of Seller. Seller shall not incur any liability to Buyer because of any proration hereunder.

22) MISCELLANEOUS

No order shall be deemed accepted by Seller until accepted in writing by an authorized employee of Seller at its office. The rights and duties of the parties and construction and effect of all provisions hereof shall be governed by and construed according to the law of the State of North Carolina, United States of America, except as otherwise provided herein. Any action arising out of Agreement or the provision of the Products and Services hereunder may be brought only in a state or federal court sitting in the County of Mecklenburg, State of North Carolina, and Buyer consents to the exclusive jurisdiction of such courts with respect to any such action. Failure of Seller to insist in any one or more instances upon the performance of any of the terms and conditions of this contract or the failure of Seller to exercise any of its rights hereunder shall not be construed as a waiver or relinquishment of any such term, condition, or right hereunder and shall not affect Sellers’ right to insist upon strict performance and compliance with regard to any unexecuted portions of this contract or future performance of these terms and conditions.

TERMS AND CONDITIONS OF SALE READ AND ACCEPTED:

DATE: _____

SIGNED: _____

COMPANY: _____