

TERMS AND CONDITIONS OF SALE

Effective Date: January 1, 2017

- 1. Decisive Steps. These terms and conditions ("Terms") govern all sales of Mueller Canada, Ltd. ("Mueller") products, including products, equipment and parts manufactured or services or sold by Mueller (hereinafter collectively "the Products"), to the buyer (the "Order"). These conditions prevail over any agreement, written or verbal statement or promise earlier, and on any standard general or preprinted contained in the price request of the buyer, the purchase order, invoice, order confirmation or similar document. They cannot be changed or extended except by concomitant or subsequent written agreement, signed by an authorized representative of Mueller and the buyer. The Mueller confirmation by the buyer's purchase order does not constitute acceptance of the conditions contained in present, regardless of the preface or how the conditions are described.
- 2. Delivery. All products are shipped FOB point of shipment. Transport costs are indicated in the transport conditions published by Mueller (i.e. rate, quote) to the delivery date. The title of the products and the risks of losses are transferred to the buyer upon delivery. The buyer can request a specific delivery method, but the decision regarding the Mueller delivery method will be final and conclusive. A command with a later delivery date will be delivered on the date indicated or around thereof. To be valid, any change in the delivery date must be at least 30 days before Delivery Date. Mueller reserves the right to charge the goods to the buyer at the time of delivery. If the buyer Calls for the manufacture and / or delivery of products or part thereof is delayed or suspended for any reason whether the parties must agree on the costs and / or predict the impact of such a delay, and the costs will be charged to account of the buyer. If the delay extends beyond 30 days after the originally scheduled delivery date, the buyer will assume Title and risk of loss of products and make arrangements for storage. The Mueller invoice will be issued when the order is ready to be delivered.
- 3. Cancellation. The buyer can cancel this order only if it has the prior written consent of authorized representative of Mueller. The buyer must pay reasonable cancellation charge for orders of special products or not forming part of the normal stocks Mueller. Mueller will send the list of products considered so special the amount of costs related to the buyer to cancel the order before. For those products marked with an asterisk (*) [those not part of the normal stocks], Mueller reserves the right to deliver an amount of not less than 10%.
- 4. Force Majeure. Mueller is not responsible for delivery delays caused by uncontrollable situations, including, among others, the forces of nature, acts of government, acts of Buyer, fire, labor disputes, a boycott of floods, epidemics, quarantine restrictions, war, insurrection, terrorism, riots, incidents civilian or military embargoes on goods, transport shortages or delays, weather particularly bad or inability to obtain labor, materials or manufacturing facilities needed due to such causes. In case of delay, the delivery date will be postponed for a period equal to the period of delay.
- 5. Payment. All prices are subject to change and all products will be charged according to the tariff in force on the date of delivery, Mueller unless otherwise agreed in writing. A minimum of \$ 100 must be paid net for all orders to one of the delivery points. The terms of payment are as follows (unless otherwise agreed): 2% discount for payment before the 15th day of the month following the billing date, and full amount payable on or before the 30th day of the month the date of invoice. If the buyer does not pay Mueller as stated here above, he agrees to pay all costs collection, legal fees and expenses incurred for the recovery of any payment, including accrued interest on the amount due at the maximum rate permitted by applicable law. The buyer must pay all costs of transportation, insurance or similar charges arising from the delivery of products. The buyer must pay all taxes and duties required by an authority government or municipal on the sale or transport of products. Mueller will issue an invoice at the time of delivery or time give the buyer a notice that it is ready for delivery, depending on whichever is earlier. According to order value, Mueller may, in its sole discretion, require down payments. If the financial situation of the buyer does not satisfy or no longer meets Mueller, the

- latter may, in its sole discretion, a) requiring the buyer to make payments in advance; b) require a letter of credit or other security acceptable prior to shipment; or c) cancel the transmission at any time before delivery Products without any obligation or liability.
- <u>6. Changes</u> The buyer may request to change the amount, scope and / or nature of a control product by submitting a change request in writing. If, in the sole opinion of Mueller, such a change will alter the price agreed fixed and / or delivery date, Mueller will notify the buyer in writing and will not be required to make the change, unless agreed to by Mueller. The buyer confirms that the amendment is authorized and accepted by issuing a revision from command.
- <u>7. Returns.</u> No returns will be accepted by Mueller without Buyer first obtaining Mueller's written consent. Unused standard catalog items, delivered as ordered, may be returned, with proper authorization, for credit. Non-catalog or specially manufactured items, delivered as ordered, may not be returned, unless Mueller can reasonably locate an alternative purchaser. All authorized returns are subject to inspection to verify merchantability and will be assessed a minimum 20% restocking charge.
- 8. Compensation. Buyer agrees to indemnify, hold harmless and defend Mueller, including its companies affiliates, officers, employees, agents, subcontractors, suppliers and representatives in respect of any judgment, losses, damages, expense, cost and obligation, including defense costs and legal fees arising from lawsuits, claims or claims for personal injury, death, property damage or other liability arising or presumed resulting from an act or omission of the buyer or Mueller can be connected in any way with the order or products, that such claims are based on contract, warranty, tort (including, among others, active or passive negligence), strict liability, breach of any applicable law or any other alleged misconduct. In the If the above obligation to indemnify the buyer Mueller is prohibited by applicable law and these conditions are in place, the obligation created hereunder shall be void, but only to the extent that prohibition. Other compensation to the buyer obligations remain in effect and shall be respected by the parties.
- <u>9. Insurance</u>. Buyer agrees to contact only their insurer to recover damages for loss or injury, and waives any right of recovery against Mueller by subrogation.
- 10. Limitation of Liability. The remedies set forth herein are exclusive and the total liability of Mueller, including its affiliates, officers, employees, agents, its subcontractors, suppliers and its representatives in respect of the order or any breach thereof, whether based on contract, warranty, tort, indemnity, strict liability or otherwise, shall not exceed the amount of the order of Products agreed to the origin of the claim. In any case the buyer claims damages for a product defective or non-compliant, the exclusive remedy of the purchaser and the sole responsibility of Mueller will be those expressly provided in the Warranty section. IN NO EVENT SHALL EITHER BEFORE OR AFTER THE PERFORMANCE OF ITS OBLIGATIONS PROVIDED IN CONTRACT, MUELLER BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING, AMONG OTHERS, FOR LOSS OF USE, REVENUE OR PROFITS, INVENTORY OR USE FEES, COST OF CAPITAL OR CUSTOMER CLAIMS) SUFFERED BY THE PURCHASER OR ANY THIRD PARTY.
- 11. Guarantee. Unless otherwise specified in the Guarantee Section of Mueller's website or printed catalog, Mueller warrants its products are free from defects in workmanship and materials under conditions of normal use and service when used wisely and under the conditions envisaged for a period of one year from the date of delivery. If Mueller determines (at its sole discretion) during the warranty period that a product does not comply, he may choose to repair or replace product (in both cases, FOB point of manufacture) or refund the unit purchase cost. THIS WARRANTY SUPERCEDES ANY OTHER WARRANTY,



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EXPRESSED OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY. This guarantee is valid provided that the buyer agrees to provide written notice of the alleged defect before undertaking any action. In no case the warranty does not cover the cost of removal or reinstallation.

- 12. Compensation. Any amount that the buyer has to Mueller under an order will be due and payable in accordance with payment terms of the order. The buyer may not offset this amount or part of the amount, whether liquidated or not, a sum he claims become due or payable to affiliates under other transactions with Mueller or one of its affiliated companies.
- 13. Non-disclosure and non-use of information Mueller. The buyer agrees not to disclose any data or Mueller information regarding this command, or not to give access to any third party without the written consent Mueller.
- 14. Export / import. Buyer agrees to comply with all applicable laws and / or any applicable control regulations imports and exports, including, among others, those in the United States and / or other jurisdictions which may come product or where they can be delivered. In any case the buyer cannot use, transfer, distribute, import, export or re-export of products in violation of applicable laws and regulations.
- 15. Taxes. Unless otherwise agreed, the price charged by Mueller for products is fixed and does not include sales tax, the tax use, excise tax, tax on the value added tax on goods and services, business tax (franchise or privilege) or any other right, charge or tax. Mueller is not responsible for the payment of these taxes.
- **16. Assignment**. The purchaser may not assign the order or any part thereof without the prior written consent of Mueller.
- <u>17. Waiver</u>. The default Mueller to claim their rights, in whole or in part, during the non-compliance of an order constitutes not a waiver of such rights in respect of such breach or any subsequent non-compliance, and the acceptance of any payment for a service does not constitute either an implied waiver. No waiver of a right does not apply to any other right Mueller has nor assigns, and any such waiver shall not extend to a similar subsequent breach or not.
- **18. Divisibility**. In the event that any provision of these conditions are found to be illegal, invalid or unenforceable for any reason whether this provision shall be null and void for the purposes of the dispute in question and all other provisions remain valid and in force.
- 19. Limit for bringing an action. It is agreed that no prosecution or legal action or other proceedings will be instituted against one or other of the parties more than one (1) year after the cause of action or business more than one (1) year after the birth of the complaint, according to the shortest period that we know or not the time of birth of the claim or whether based on tort, contract or any other legal theory.
- **20.** Choice of applicable law. These conditions shall be governed and interpreted under the laws of the Province of Ontario and the laws of Canada applicable therein. The parties hereby irrevocably submit to the jurisdiction of the courts of the Province of Ontario.
- **21. Compliance with laws / ethical practices.** Mueller and the buyer agree to comply with all regulations, laws and rules applicable, including, among others, those in Canada and other jurisdictions in which the parties do business. Furthermore, the buyer has not and will not offer, promise, authorize or do, directly or indirectly, any payment (in money or any other article value), contributions or gifts to a non-US government agency, a ministerial representative or government-owned entity or controlled by it in order to obtain or retain business or other advantage illegitimate that would violate the Foreign Corrupt Practices Act of the United States, of the Law on Corruption of Foreign Public Officials and / or any other applicable anti-corruption law. In the event

that Mueller has reason to believe that any of the above clauses was violated or will be, it may a) suspend product delivery to the buyer until it has received confirmation to its satisfaction that there has been no violation or that there will not, in which case it will be liable to the undersigned no claim, loss or damage related to its decision to suspend delivery under this provision; or b) conduct an audit of the buyer to ensure that no violation has occurred. The buyer shall cooperate in this audit.

22. Language. The parties acknowledge having asked that these terms and all related documents be drafted in English. Les parties reconnaissent avoir demandé que ces conditions et tous les documents qui s'y rapportent soient rédigés en anglais.