

Proline Pipe Equipment Inc.

Standard Terms and Conditions

Pricing Notice

All prices quoted are subject to change without prior notice or obligation. Market fluctuations, material costs, and other operational considerations may affect pricing at any time. Clients are encouraged to confirm pricing prior to placing an order to ensure accuracy.

Freight Terms

Freight is quoted as FCA (Free Carrier) Proline Pipe Equipment Inc. Yard, located at 7141 – 67 Street NW, Edmonton, Alberta, Canada. This means that Proline Pipe Equipment Inc. fulfills its delivery obligation once goods are made available at its facility for pickup. All transportation costs and risks from that point onward are the responsibility of the buyer.

Bill of Lading – Terms, Conditions, and Liability Provisions

The property described herein is received by the carrier subject to the classifications, regulations, and lawfully filed tariffs in effect as of the shipment date. The goods are accepted in apparent good order and condition, except as noted, and will be transported and delivered to the consignee or transferred to another carrier in the ordinary course of transit. The contents and internal condition of packages are unknown to the carrier.

All services performed under this Bill of Lading are governed by the terms and conditions contained in the applicable tariffs, classifications, and legislation in effect on the date of shipment. By tendering this shipment, the shipper acknowledges familiarity with, and agreement to be bound by, all such terms and conditions for itself and its assigns.

Notice of Claim Requirements

(a) No carrier shall be liable for loss, damage, or delay to goods described in this Bill of Lading unless written notice is provided to the originating or delivering carrier within sixty (60) days after delivery. In cases of non-delivery, written notice must be filed within nine (9) months from the shipment date. Such notice must identify the shipment origin, destination, shipment date, and include the estimated amount claimed.

(b) A final, complete statement of claim, including a copy of the paid freight bill, must be submitted within nine (9) months from the shipment date.

Delivery Terms

Delivery is subject to the availability of goods at the time of order. While we make every effort to meet the estimated delivery timeline, Proline Pipe Equipment Inc. does not guarantee delivery dates and is not liable for delays caused by circumstances beyond our control, including supply chain disruptions, weather, or carrier delays.

Quote Validity

The prices and terms listed in a quotation are valid for a period of 15 calendar days from the date of issuance. After this period, the quote may be subject to revision or withdrawal without prior notice.

Taxes

All quoted prices are exclusive of Goods and Services Tax (GST) and Harmonized Sales Tax (HST). Applicable taxes will be added to the final invoice in accordance with federal and provincial tax regulations.

Exceptions to Standard Terms

Any exceptions or modifications to Proline Pipe Equipment Inc.'s standard terms and conditions must be explicitly stated within the body of the quote. In the event of a conflict, the specific terms noted in the quote will supersede and override the standard terms and conditions.

Declared Value & Shipping Insurance

Unless otherwise explicitly stated in writing by the customer and acknowledged by Proline Pipe Equipment Inc., the declared value of all goods for shipping purposes shall be deemed to be \$2.00 per pound. This valuation will be used for the purpose of carrier liability and damage claims.

Customers are advised that this standard declared value may not reflect the actual replacement cost or commercial value of the goods. If a higher declared value is desired, it must be communicated in writing at the time of order placement, and additional shipping charges may apply.

Shipping insurance is available upon request. If the customer requires insurance coverage above the standard declared value, they must notify Proline Pipe Equipment Inc. in advance so appropriate arrangements can be made. The cost of additional insurance will be added to the invoice unless otherwise agreed.

Return and Restocking policy (Specials and stocked goods):

To be eligible for a return, the item must be unused, in its original packaging, and in the same condition you received it.

Non-returnable items include all special-order items.

To help cover the cost of inspecting, repackaging, and processing returned items, a restocking fee may be applied under the following circumstances:

- The item is returned due to buyer's remorse, such as ordering the wrong item, changing your mind, or no longer needing the product.

When a Restocking Fee Does Not Apply:

No restocking fee will be charged if:

1. The item is defective or damaged upon arrival. (Does not include damaged in transit)
2. The item was shipped incorrectly due to our error.
3. The return is being made as part of a warranty claim or exchange for the same item.

Language Disclaimer:

Proline Pipe Equipment acts as a distributor of product, therefore cannot guarantee which language is inscribed on packing slips, invoices, literature, product, containers or packaging. Proline will not be held responsible if the language requirements are not met for the purchaser's location.

Warranty on repairs:

We stand behind the quality of our repair services. All repairs completed by Proline Pipe Equipment are backed by a 30-day limited warranty, depending on the type of repair and parts used.

Repair Warranty Coverage:

Our repair warranty covers:

Defects in workmanship: If an issue arises due to the way the repair was performed.

Replacement parts: If a part we installed fails under normal use within the warranty period.

Repair terms & conditions (i.e. pay upfront for cash sale, cost of inspection)

Cash Sale & Upfront Payment Policy for Repairs

At Proline Pipe Equipment, we require full payment **upfront** for all repairs conducted as **cash sales**. This policy ensures a smooth and efficient repair process for both our team and our customers.

- Full payment is due before any repair work begins.
- Payment must be made in cash, debit, credit card or E-Transfer. (Payment made by cheque, repairs will be on hold for 1 month until the cheque is cleared from the bank or unless otherwise specified.)
- A detailed repair estimate will be provided and agreed upon before payment.
- Once payment is received, your item will be queued for service.

Why We Require Upfront Payment

- To cover the cost of labor, diagnostics, and parts ordered in advance.
- To confirm the customer's commitment to the repair process.
- To streamline operations and reduce delays.

Important Notes

- **Upfront payments are non-refundable** once work has begun, or parts have been ordered.
- If the actual repair cost exceeds the initial estimate, we will contact you for approval before proceeding.
- If a repair cannot be completed for reasons outside our control, we will offer a partial refund minus any diagnostic fees or costs already incurred.

Warranty & Terms

Repairs paid upfront under a cash sale are covered under our **Repair Warranty Policy** (see above) and are subject to the same conditions and limitations.

Product terms and conditions:

Acceptance and Complete Agreement

Orders from the Buyer are binding only upon written acceptance by the Seller. These terms, along with any written agreement specifying product details, price, and quantity, form the entire agreement ("Agreement") between the parties. No other oral or written agreements, including prior dealings or Buyer's purchase order terms (which are expressly

rejected), shall apply. These terms override any trade customs or past practices. Orders without shipping instructions will not be accepted. Buyer may not assign any rights or obligations under this Agreement without prior written consent from the Seller.

Shipping

Shipping dates are estimates and not guaranteed. Seller may make partial shipments and will make reasonable efforts to ship as scheduled. Claims for shortages or errors must be submitted in writing within 10 days of delivery. If Buyer fails to take delivery, Seller may store or resell the Products at Buyer's expense and risk, with Buyer remaining liable for the full purchase price and any related costs.

Seller is not liable for delays caused by force majeure, including natural disasters, labor issues, supplier delays, government actions, or other events beyond its control. If such delays exceed six weeks, either party may cancel the affected order with written notice.

Seller is not responsible for delays caused by freight forwarders or shippers and is not obligated to expedite shipments unless agreed in writing; such costs are Buyer's responsibility. If supply is limited, Seller may allocate inventory at its discretion. Seller may also terminate this Agreement with reasonable notice if it exits the business of selling the Products.

Inspection

Buyer must inspect all Products immediately upon receipt. Any visible damage must be noted on the delivery documents. Claims for unsatisfactory Products must be made in writing within **10 days** of receipt, and claims for hidden defects must be submitted within **15 days** of discovery, with a detailed description. Upon discovering a defect, Buyer must stop using or installing the Products and take steps to prevent further damage. The burden of proving hidden defects lies with the Buyer.

Failure to submit a claim within the specified timeframes constitutes acceptance of the Products as delivered. Buyer must cooperate with any investigation and may not return Products without Seller's prior written consent. Return costs are only covered by Seller if the claim is timely, justified, and approved. If no damage is noted at delivery, Products are presumed to have arrived in proper condition unless proven otherwise.

Payment

Unless otherwise agreed in writing, **payments are due net 30 days** from the date of the invoice, regardless of Buyer's relationship with downstream customers. If credit has not been established, Seller will require payment upfront before ordering and shipping product. Cash sale customers must pay by cash, debit, credit card or E-Transfer. (Payment made by cheque, product will be on hold for 1 month until the cheque is cleared from the bank or unless otherwise specified.)

Title:

Risk of loss transfers to Buyer when Products are made available at Seller's facility. Title remains with Seller until full payment is received. Seller is not liable for damage or loss in transit but can arrange insurance at Buyer's written request and expense.

If Products are mixed or processed with other goods, Seller retains pro rata joint ownership based on the invoiced value. Upon resale, Buyer assigns to Seller its rights to payment and any related security interests, provided Buyer is not in

default. Buyer may resell goods in the normal course of business but must notify its customers of Seller's retained title when required.

If Buyer defaults, Seller may reclaim and resell the Products, applying proceeds against the outstanding balance. Buyer must inform Seller of any third-party claims or attachments on Products still under Seller's title and grant access for recovery if necessary. If Seller's security interests exceed 110% of outstanding claims, it will release the excess upon written request.

Confidentiality

Buyer agrees to keep confidential all non-public technical, financial, and business information provided by Seller, including pricing, product details, and intellectual property. Such information may contain trade secrets or proprietary data. Buyer will not disclose, use, or share this information for any purpose other than in connection with the supplied Products, without Seller's prior written consent. This obligation does not apply to information that is publicly available. Seller retains all rights and remedies to protect its confidential and intellectual property.

Warranty; Limitation of Liability

Buyer is responsible for testing samples before purchase to ensure the Products meet requirements. Seller warrants Products to be free from material and workmanship defects and to meet published specifications for one year from shipment, provided they are properly installed and used. No warranty applies to non-Seller goods, misuse, modifications, or corrosion.

Seller's sole liability is limited to repair, replacement, or refund of defective Products. No other warranties, including merchantability or fitness for a particular purpose, are made. Seller disclaims liability for indirect, incidental, punitive, or consequential damages, including loss of profits or business interruption. Technical advice from Seller is given without warranty and does not relieve Buyer from testing or due diligence.

Bill S-211 mention:

Proline Pipe Equipment Inc. is committed to ethical business practices and full compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act (Bill S-211)*. We actively work to ensure that forced labour and child labour are not used in any stage of our supply chain.

Disclaimer with regards to sales into countries with which Canada has sanctions and restrictions

Proline Pipe Equipment Inc. complies with all applicable Canadian laws and regulations, including those governing international trade, sanctions, and export controls. As such, **we do not sell or ship products, directly or indirectly, into countries or to individuals or entities that are subject to Canadian government sanctions, embargoes, or trade restrictions.**

By placing an order, the Buyer confirms that neither the Buyer nor any party involved in the transaction is in, or associated with, a restricted or sanctioned country or entity as defined by the Government of Canada. Proline Pipe Equipment Inc. reserves the right to cancel any transaction that, in its sole discretion, appears to violate these regulations.

RENTAL TERMS AND CONDITIONS

1. THE RENTAL PERIOD:

The rental period shall commence on and include the date of Consignment of the equipment from the Lessor's shipping point to the Lessee, or the Lessee's agent, including any public carrier taking same for transit to the Lessee.

The rental period shall end on and include the date of actual delivery of the Equipment to the Lessor or another Lessee of the Lessor.

2. CALCULATION OF RENTAL CHARGES:

The Lessee shall pay for the entire rental period on each article listed in the rental contract at the rate therein stipulated on the following basis:

- Monthly rental rates are for a minimum rental period of one Month, ie., from date of commencement of the rental period up to but not including the same date in the next calendar month; weekly rates are for a minimum rental period of one week.
- After the minimum rental period has been realized, the rental payable for a fraction of any succeeding period shall be the proportionate part of the applicable rental rate according of the number of calendar days in such fraction.
- The rental rates stipulated in the rental contract shall apply when the number of hours the Equipment is operated does not exceed 60 hours in one week or does not exceed 10 hours in any one day. When equipment is operated in excess of the above stated hourly maximum, such excess will be charged at 50% of the applicable rate stated in the rental contract. The Lessee hereby agrees to notify the Lessor when the equipment is operated in excess of the above stated hourly maximums and to pay the increased rental as described above.
- Rental rates shall not be subject to any deduction on account of non-working time during the rental period nor because the equipment is returned before tire expiration of such period.

3. PAYMENT:

The rentals due under this Contract shall be paid monthly or weekly (as the case may be) in advance to the office of the Lessor at the address designated in the rental contract. The rental for the minimum rental period is payable before delivery of the Equipment to the Lessee or the Lessor's agent or carrier.

All overdue payments shall bear interest at the rate of eighteen percent (18%) per annum, without prejudice to the Lessor's right, as hereinafter stipulated, to terminate this contract for non-payment of rental.

4. LOADING, UNLOADING AND TRANSPORTATION:

The Lessee shall at its own expense load the Equipment for transit to the Lessee and unload it upon its return and shall pay any demurrage charges accruing at its own shipping and receiving point.

The Lessee shall at their own expense do all other loading, unloading, installing, dismantling and hauling and shall pay any demurrage accruing at their own shipping or receiving point.

The Lessor shall pay all transportation charges from and to the Lessor's shipping and receiving points; provided however that, unless otherwise agreed, the Lessee shall not pay return transportation charges greater than those necessary to return the Equipment to the point from which it was originally shipped to the Lessee.

The Lessor may ship the Equipment in accordance with its own judgement, if shipping instructions are not furnished on the signing of the present Agreement.

5. RECALLING AND RETURNING NOTICE:

The Lessor may recall any or all of the Equipment upon giving thirty (30) days' written notice to the Lessee and, subject to the provisions of General Condition No. 2 as to the Lessee's obligation to pay rental for a minimum period, the Lessee may return any or all of the Equipment to the Lessor at any time.

The Lessor reserves the right to remove the Equipment from the job at any time when, in the Lessor's opinion, the Equipment is in danger because of strikes or any other condition.

6. MAINTENANCE, OPERATION AND REPAIRS:

The Lessee shall not remove, alter, disfigure or cover up any numbering, lettering or insignia displayed upon the Equipment, and shall see that the Equipment is not subjected to careless or needlessly rough usage, and shall, at the Lessee's own expense, maintain and ultimately return to the Lessor the Equipment and its appurtenances, together with any tools and accessories pertaining thereto, the whole in good repair and running order, fair wear and tear excepted.

Without limiting the generality of the foregoing, the Lessee shall, at the Lessee's own expense, during the term of the Contract, pay the cost of:

- all fuel and lubricants required to operate the Equipment;
- all repairs required to be made to the Equipment in order to keep it in good repair and running order;
- replacing broken or worn out parts; fair wear and tear expected.
- any and all local, municipal, provincial and federal taxes, assessments and charges levied upon the Equipment while in the possession of the Lessee.

7. SUPPLYING OPERATORS:

Unless otherwise agreed in writing, the Lessee shall supply and pay all operators employed on the Equipment during the term of this Contract and shall only employ persons who are competent to perform their respective duties. Should the Lessor furnish any operators or other workmen, they shall for all legal purposes be constituted the employees of Lessee working at the latter's responsibility and the Lessor shall pay them such salary or wages on the Lessee's regular pay days and provide them with such travelling expenses, board and lodgings as may be agreed upon between the Lessee and the Lessor. The Lessee shall provide and pay for all workmen's compensation assessments and/or insurance and pay all taxes required by law or otherwise applying to such operators and workmen.

8. DAMAGE TO EQUIPMENT:

The Lessee shall indemnify the Lessor against all loss and damage to the Equipment during the rental period and the appraisal of any such loss or damage shall be based on the value of the Equipment. Any shortage or damage claimed by the Lessee must be made known in writing to the Lessor within ten weeks after receipt of the Equipment, otherwise any such claim shall be extinguished. Any shortage or damage claimed by the Lessor must be made known in writing to the Lessee, after a thorough inspection of the Equipment, otherwise any such claim shall be extinguished.

Should the lessor suffer lost rentals or incur expenses as a result of damage to or loss of the equipment caused by the lessee during the term of this lease, then such lost rental(s) and expenses shall be the sole responsibility of the lessee, and the lessee shall forthwith pay and/or reimburse the lessor for the lost rental(s) and expenses.

9.LIABILITY OF LESSEE:

The Lessee shall indemnify the Lessor against all loss, expenses, penalties, damages, condemnations and law costs which the Lessor may suffer or may be required or condemned to pay for personal injuries (including death) and or property damage suffered by any person by reason of operation, handling, transportation or use of the Equipment while In the hands of the Lessee or the latter's employees, agents or carriers.

The Lessee hereby renounces all claims which they may have against the Lessor for any loss or damage which they may suffer, either directly or indirectly by reason of the condition of the Equipment or its suitability for the work it may be required to perform.

The parties agree that Proline Pipe Equipment Inc. shall not be liable for any loss or damage which the lessee may suffer either directly or indirectly by reason of any act or omission on the part of the Lessor, its servants or agents, and the Lessee agrees to indemnify and save harmless the Lessor from all claims for damages occasioned either directly or indirectly by any act or omission by the Lessor, its servants or agents, while on the job site and whether such damage be sustained by the Lessee or any other person.

10.INSPECTION:

Before the Equipment is loaded for transit to the Lessee, the latter may have an inspection thereof made by a competent authority and if the Equipment is proven not to be substantially in the condition required by the Lessee, then the cost of such inspection shall be paid by the Lessor.

If the Lessee fails to have such inspection made, the Equipment shall be presumed for all purposes hereof to be in good condition and running order when delivered to the carrier. The Lessee's right of inspection shall be in lieu of any warranties or guarantees and it is agreed that the Lessor makes no warranty or guarantee whatsoever as to the Equipment or its performance.

The Lessor shall have the right at any time to enter upon the premises occupied by the Equipment and shall be given free access thereto and afforded all necessary facilities for the purpose of inspecting the Equipment.

The Lessor shall have the right to inspect the Equipment at the Lessee's shipping point prior to reshipment and shall be notified prior to such re-shipment and given ample opportunity to make such inspection.

11.TITLE:

Title to the Equipment shall at all times be and remain vested in the Lessor and nothing containing in this Contract shall be deemed to have the effect of conferring upon the Lessee any right or title whatsoever in or to the Equipment, other than that of a Lessee.

The Lessee shall give the Lessor immediate notice in case any of the Equipment is levied upon or from any cause becomes liable to seizure.

12.TERMINATION OF CONTRACT:

Should the Lessee fail to make any payment for more than thirty (30) days after it becomes due, or become bankrupt, or fail to maintain and operate or to return the Equipment as provided by this Contract, or violate any other provision hereof, the Lessor may, after giving the Lessee three (3) days notice, in writing, terminate this Contract, re-take possession of the Equipment without becoming liable for trespass, and recover all rentals due and full damages for any injury to and all expenses incurred in obtaining the return of the Equipment.

Should the Lessor fail to ship the Equipment in substantially the condition stipulated in this Contract, the Lessee may upon giving the Lessor three (3) days notice in writing, terminate this Contract and recover any amount paid by them to the Lessor hereunder.

13.INSURANCE:

Unless advised to the contrary in writing, the Lessee shall maintain at the Lessee's own expense, fire and liability and any other insurance required to indemnify the Lessor against any loss to or of the Equipment to the extent of the replacement value of the Equipment.

This insurance shall be kept in effect from the time the Equipment is shipped by the Lessor until it is returned to the Lessor or delivered to another Lessee of the Lessor.

14.BOND:

If requested by the Lessor, the Lessee, at the latter's own expense shall furnish a bona satisfactory to the Lessor in an amount equal to the value of the Equipment, to insure the fulfillment of the Lessee's obligation under this Contract.

15.SUBLETTING:

None of the Equipment shall be sublet by the Lessee, nor shall they assign or transfer any interest in this Contract without the previous written consent of the Lessor.

16.NOTICE:

Whenever the giving of a notice is required by the Lease such notice shall be given in writing and shall be considered for all purposes hereof to have been received on the next juridical day after that on which the notice is mailed by registered post with mailing charges prepaid.

17.ARBITRATION:

Should any dispute arise between the parties on any matter or thing arising out of this Agreement, it shall be referred to a single arbitrator. If the parties fail to agree on the selection of the sole arbitrator, each party shall forthwith appoint an arbitrator and these two shall elect a third arbitrator. Should the first two arbitrators fail to agree on the third arbitrator, the latter shall be appointed by a Judge of the Supreme Court or of a Superior court of the province where Agreement was drawn up.