

GENERAL TERMS & CONDITIONS OF SALE

These terms and conditions of sale shall apply to all parts, systems and equipment (the "Equipment") manufactured, distributed or sold by Rexfab Inc. ("Rexfab") to the customer (the "Customer"), as well as any services provided by Rexfab in relation to the Equipment.

ACCEPTANCE OF TERMS AND CONDITIONS

These terms and conditions of sale shall apply to any order of Equipment placed by the Customer with Rexfab, including any service provided in relation thereto, and shall supersede any conflicting terms contained in a Customer's purchase order or any other document or instrument submitted by a Customer. Order acceptance is conditional on acceptance of these terms and conditions. Any changes to the terms contained herein must be expressly consented to and signed by a duly authorized representative of Rexfab.

PRICES

Prices and currency for the Equipment are as set forth in the Rexfab quote. The prices for the Equipment are exclusive of any taxes, charges, levies or duties. Any tax, duty, custom, or other fee of any nature imposed on this transaction by any international, export, import, federal, state/province, or local government authority shall be paid by the Customer in addition to the price quoted or invoiced.

Prices established in any Rexfab quote are valid for thirty (30) days only or as stated in a written letter sent to the Customer.

All orders placed by the Customer are subject to approval and acceptance by Rexfab. A written acknowledgment sent to the Customer of orders so approved shall constitute such acceptance by Rexfab (collectively, the "Contract").

Should the Customer fail to pay when due any of the sums owed pursuant to the Contract, it shall pay interest on the arrears at the annual rate of 10%, compounded monthly, as of the due date until payment in full of the amount owing. Accrued interest shall be payable on the same day a principal amount becomes due.

Rexfab may at any time alter or suspend credit, refuse shipment, or cancel unfilled orders if the Customer is delinquent in any payment.

If, during the Contract, the costs for the Equipment materially increases, due to an unanticipated and unforeseen change in law of extraordinary nature relating to international trade laws, rules and regulations, including duties, tariffs, or global financial conditions, including fluctuations in interest rates, foreign exchange rates, inflation, commodity prices, and stock market volatility, and through no fault of Rexfab, the price shall be equitably adjusted by an amount reasonably necessary to cover any such material price changes. Such price changes shall be documented through quotes, invoices, receipts or any other means appropriate to substantiate the change.

DELIVERY AND ACCEPTANCE OF DELIVERY

Unless otherwise instructed by the Customer in advance in writing, Rexfab, acting as an agent on behalf of the Customer, will arrange transportation from its manufacturing facilities to the final destination for and on behalf of the Customer and at the Customer's sole risks, costs, and expenses. Incoterm 2022 DAP "Door to Door" excluding customs, taxes and duties.

Equipment must be inspected, accepted, and signed off by the Customer at Rexfab's, SR Pack or Hartmann manufacturing facilities prior to delivery. Failing to do so, the Customer shall be deemed to have signed off on the Equipment.

The warranty period hereinafter defined will begin upon delivery date.

Sign-off:

Once the Customer purchase order is issued, Customer is deemed to have approved the Rexfab layout. Upon purchase order approval, a design freeze occurs on the Rexfab layout. At that point, only a change order duly approved by the Rexfab project manager and the Customer will be accepted to modify the Rexfab layout.

Change orders:

During a project, changes may occur which impact the original pricing and scheduling. When such situations occur, a change order will be prepared by the Rexfab project manager and will be countersigned by the Customer. The change order will specify the scope change, the financial adjustment and the scheduling impact.

A change order will be required when:

1. an element is added or subtracted from the original proposal / purchase order;
2. a milestone / decision from the Customer is delayed;
3. Customer operations is modified;
4. Unforeseen situation occurs;
5. A government agency requires additional elements or modifications;
6. Customer security team requires added security features

LIMITED WARRANTY

Rexfab warrants the Equipment against defects in material or workmanship for a period of twelve (12) months from the date of delivery. The warranty applies only if the Equipment is installed and commissioned by Rexfab and operated strictly in normal use in accordance with the operations and maintenance provided by Rexfab. Without limiting the generality of the foregoing, the warranty shall be void and without effect if:

- modifications or repairs are made to the Equipment by the Customer or anyone other than Rexfab or a Rexfab subcontractor, unless prior approval was obtained by Rexfab;
- the Equipment is used for any purposes other than the production of baked goods;
Installation Services as set forth in paragraph 6, were not conducted by Rexfab or a Rexfab approved representative;
- the Customer does not conduct regular maintenance of the Equipment, as prescribed in the maintenance manuals provided by Rexfab; and
- the Customer does not allow Rexfab to diligently inspect or investigate any alleged defect or does not provide complete access to the Equipment, including remote VPN access to the Equipment and control panel, to monitor its start-up, operation or maintenance during the warranty period.

If any Equipment parts have been discontinued or are no longer available, Rexfab may replace such parts with comparable parts as determined by Rexfab.

Repairs performed under warranty from Rexfab include all costs incurred at the Rexfab facility for disassembly and assembly of all parts to be replaced, tests, and the provision of new replacement parts. Any Freight and travel expenses of any service technician shall be paid by the Customer.

For parts replaced or repaired by Rexfab, this warranty will apply but will remain in force until the expiry date of the initial warranty period or ninety (90) days after replacement, whichever occurs last.

Remote Access during Warranty Period:

Rexfab requires remote VPN access to its equipment and control panel during the warranty period. This remote VPN access will provide performance information and will allow for better and faster troubleshooting. It is the Customer responsibility to provide VPN access, IP addressing and gateway and adequate access to its network.

LIMITATION OF LIABILITY

TO THE EXTENT PERMITTED BY APPLICABLE LAW, UNDER NO CIRCUMSTANCES SHALL REXFAB BE LIABLE TO THE CUSTOMER OR END USER FOR ANY (I) SPECIAL, INCIDENTAL, CONSEQUENTIAL, INDIRECT OR EXEMPLARY DAMAGES (EVEN IF REXFAB HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), ARISING FROM PERFORMANCE OR FAILURE OF PERFORMANCE OF ANY EQUIPMENT OR PROVISION OF THESE TERMS AND CONDITIONS OF SALE (INCLUDING SUCH DAMAGES INCURRED BY THIRD PARTIES), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR LOST BUSINESS OR (II) AMOUNT WHICH EXCEEDS THE PURCHASE PRICE OF THE EQUIPMENT TO WHICH SUCH LIABILITY RELATES. THE PURCHASER ACKNOWLEDGES THAT THIS LIMITATION OF LIABILITY IS A MATERIAL FACTOR IN THE DETERMINATION OF EQUIPMENT PURCHASE PRICE AND THAT ACCEPTANCE OF THIS LIMITATION OF LIABILITY BY IT IS A FAIR ALLOCATION OF RISK AND AGREES TO APPLY THIS LIMITATION OF LIABILITY TO ALL SALES OF REXFAB EQUIPMENT.

INTELLECTUAL PROPERTY

Rexfab hereby grants the Customer a personal, non-transferable, indivisible, non-exclusive right for the use of the software in object code only. Subject to the granting of right in the first sentence, nothing herein shall be construed to grant to the Customer (or any end user of the Equipment) any right, title or interest in or to any intellectual property rights (including, without limitation, any patent, trademark, copyright, trade name or trade secrets or other similar rights, whether registered or unregistered) embodied in or associated with the Equipment. It is expressly understood and agreed that the know-how and technical documents (including, without limitation, drawings, technical specifications, illustrations, software, data, manuals, and the like) relating to the Equipment and any modifications or improvements thereto shall remain the exclusive property of Rexfab.

RESPONSIBILITY OF CUSTOMER

The operation of the Equipment is within the exclusive control of the Customer and the Customer shall indemnify and save Rexfab harmless from any and all expenses and liability (including attorney's fees) incurred by or imposed upon Rexfab based upon injury to persons (including death) or damage to property (including the Equipment) resulting from the Customer's tests, cleaning, operation, or maintenance of the Equipment or from modifications to the Equipment by the Customer or by third parties without Rexfab's express prior written consent.

FORCE MAJEURE

Rexfab shall not be liable for delays in the execution of its obligations due to causes beyond its reasonable control including, but not limited to, acts of God, acts of the Customer, fires, strikes, labour disturbances, floods, epidemics, quarantine restrictions, war, insurrection or riot, acts of a civil or military authority, acts of Government authorities with respect with to revocation of export or re-export permits/licenses, freight embargoes, car shortages, wrecks or delays in transportation, unusually severe weather, or inability to obtain necessary labour, materials or manufacturing facilities or supplies or delays of sub-contractors. In the event of any such delay, the date of shipment will be extended for a minimum of time equal to the period of the delay. The Contract shall in no event be subject to cancellation by the Customer, due either to delay in delivery or to any other cause, without Rexfab's prior written consent. In the case of cancellation, cancellation charges judged adequate by Rexfab shall apply.

GENERAL

These terms and conditions of sale and any order or contract placed hereunder shall be governed by the laws of the Province of Québec and the laws of Canada applicable therein. Any dispute arising out therefrom or relating thereto shall be submitted to the jurisdiction of the courts of the Province of Québec in the judicial district of Saint-François, to the exclusion of any other jurisdiction. Each party hereby irrevocably waives, to the fullest extent it may effectively do so, the defence of inconvenient forum to the maintenance of such action or proceeding.

The invalidity in whole or in part of any part of these terms and conditions of sale shall not affect the validity of the remainder of the Contract.

Either party's failure to enforce any provisions hereof shall not be construed a waiver of a party's right thereafter to enforce each and every such provision.

The Customer may not assign any of its rights relating to the Contract without the prior written consent of Rexfab.

These terms and conditions of sale shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

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