

General Terms and Conditions of Sales – MechaTronix Inc.

Registered on 1st of January 2024 with OCN no. 1000737844

1. General

- a) These terms and conditions apply to any offer made by MechaTronix Inc. (hereinafter: 'MechaTronix') and to all (legal) transactions between MechaTronix and its customers (hereinafter: 'Customer').
- b) Deviations from these terms and conditions are only valid if they have been expressly confirmed in writing.
- c) If any provision in these terms and conditions is or becomes non-binding, the remaining provisions shall remain in full force and effect. The parties undertake to replace the non-binding provision with a provision that is binding and which deviates as little as possible from the scope and content of the non-binding provision.

2. Offers

- a) All offers from MechaTronix are free of obligation and are valid for up to 14 calendar days after the date of issue, unless otherwise stated in writing. MechaTronix may revoke offers no later than two working days after receipt of acceptance.
- b) MechaTronix is bound only after it has confirmed the order in writing. MechaTronix is furthermore deemed to have accepted an order and/or the agreement will have been concluded between the parties, when MechaTronix has started the execution of a placed order or has delivered one or more ordered products to the Customer or provided services for the Customer.
- c) The Customer guarantees the accuracy and completeness of the data provided by the Customer or on their behalf to MechaTronix on which MechaTronix bases its offer. Details stated in images, websites, offers etc. are non-binding for MechaTronix, unless expressly stated otherwise.
- d) MechaTronix cannot be bound to an offer if the Customer can reasonably understand that (part of) the offer contains an obvious mistake or error.
- e) A compiled offer does not oblige MechaTronix to supply part of the products offered at a corresponding part of the price.

3. Execution of the agreement

- a) MechaTronix will take the utmost care with the execution of the agreement. Execution and delivery times are indicative. The mere overrun of a deadline does not put MechaTronix in default.
- b) An agreed deadline starts when MechaTronix has received all the information necessary for the delivery and any agreed (advance) payment from the Customer. In the event of a delay, the deadline shall be extended proportionately.
- c) MechaTronix has the right to engage third parties in the execution of the agreement and to accept any general terms and conditions and liability limitations of that third party on behalf of the Customer.
- d) The risk for the products to be delivered passes to the Customer at the time they leave the warehouse or premises of MechaTronix, unless otherwise agreed in writing. The place of delivery shall be the address the Customer has communicated to MechaTronix.
- e) If, due to circumstances within the control of the Customer, it is not possible to deliver the ordered products (in the agreed manner) to the Customer or they are not collected, MechaTronix may store the products at the expense and risk of the Customer. The Customer then enables MechaTronix to deliver or collect the products within a reasonable period stipulated by MechaTronix.
- f) If the Customer fails to comply with its purchase obligation after the aforementioned reasonable period, the Customer shall be immediately in default. In that case, MechaTronix may terminate the agreement in whole or in part with immediate effect by a written statement and may sell the products to third parties without being obliged to pay compensation for damages, interest and costs. This does not affect the Customer's obligation to compensate for any (storage) costs, damage and loss of profits of MechaTronix and/or MechaTronix's right to claim fulfilment.
- g) The Customer ensures that it makes all information necessary for

the execution of the agreement available in a timely manner and in the manner desired by MechaTronix. The Customer also ensures that this information is accurate and complete.

- h) The agreement between MechaTronix and the Customer is not transferable by either party without the prior written consent of the other party, except that MechaTronix may assign this Agreement without the Customer's consent if the assignment is to an affiliate or if the assignment is carried out as part of a merger, restructuring, or reorganization, or sale or transfer of all or substantially all of MechaTronix's assets.

4. Prices

- a) All prices are exclusive of VAT, assembly and commissioning.
- b) All prices are based on all internal and external cost factors, and on delivery to the Customer's business. Costs of small shipments can be invoiced by MechaTronix. General delivery terms are ex works MechaTronix premises, unless otherwise agreed in writing.
- c) Costs of shipping as express goods, postal parcel, or generally with a faster transport than normal, are at all times at the expense of the Customer, unless otherwise agreed in writing.
- d) The offers from MechaTronix and the agreed price between MechaTronix and the Customer are based on price-determining factors in force at the time of the offer or agreement. If before or during the execution of the agreement an increase in these price-determining factors should arise, MechaTronix is entitled to pass on the resulting (cost) price increase to the Customer.

5. Payment

- a) Standard payment term is 30 days net, unless otherwise agreed in writing. The Customer cannot rely on discount, set-off or deferral.
- b) In case of delivery in parts, MechaTronix can invoice each part separately.
- c) If, in the opinion of MechaTronix, the financial position or payment behaviour of the Customer gives rise to this, MechaTronix is entitled to require the Customer to provide MechaTronix (additional) security in time in a form to be determined by MechaTronix and/or an (additional) advance payment on the agreed fee.
- d) After the expiry of the payment period, the Customer shall be in default by operation of law. From that time, the Customer owes statutory commercial interest and extrajudicial collection costs.
- e) All costs that MechaTronix must incur in order to satisfy the claim in and out of court shall be borne by the Customer. These extrajudicial collection costs are calculated according to the real bared costs with a minimum of USD250.
- f) In the case of a joint assignment, the Customer shall be jointly and severally liable for payment of the invoice amount.
- g) MechaTronix has the right to claim advance payment or to deliver cash on delivery.
- h) Objections to invoiced amounts must be submitted to MechaTronix before the expiry of the payment period, failing which the accuracy of the amounts invoiced will be established after the expiry of the payment period between the parties. Objections to invoiced amounts do not suspend the payment obligation.

6. Claims

- a) The Customer is responsible for checking the quantity of the delivered goods. If the Customer does not make a complaint as soon as possible and in any case within 24 hours of receipt of the quantities delivered, the quantities indicated on the consignment notes, delivery notes, invoices or similar documents shall apply as correct.
- b) Complaints about visible defects should be submitted to MechaTronix in writing and reasoned without delay, in any case within five calendar days after delivery.

- c) Complaints about invisible defects should be submitted to MechaTronix in writing and reasoned within five calendar days after discovery of the defect, at least after discovery was reasonably possible, but no later than 7 calendar days after delivery. If MechaTronix has not received a written and reasoned complaint within the aforementioned periods, the Customer shall be deemed to have approved the (supplied) delivered products.
- d) If the products are processed in whole or in part, they are deemed to have been approved and MechaTronix's liability is therefore void.

7. Liability

- a) MechaTronix accepts no liability other than the liability explicitly agreed or the guarantees given by MechaTronix.
- b) Any liability of MechaTronix is limited to the amount paid out under MechaTronix's insurance in the case in question. Upon request, access shall be provided to the applicable policy conditions. If and insofar as the liability insurance does not cover and/or does not entitle MechaTronix to compensation, any liability of MechaTronix is limited to compensation of up to 50% of the amount paid by the Customer to MechaTronix for the delivered products, and limited to a maximum of USD25,000 per year.
- c) MechaTronix's liability for statutory, special, exemplary, punitive or indirect damages, including but not limited to consequential or incidental damages, lost profits and/or losses incurred, loss of use, delay, inconvenience, lost business opportunities, damage to good will or reputation, loss of data and/or personal and injury damage, whether such liability is based on breach of contract, tort, strict liability or otherwise, and even if MechaTronix is advised of the possibility of such damages or such damages could have been reasonably foreseen, is excluded at all times.
- d) The Customer shall take all measures necessary to prevent or limit damage.
- e) The Customer shall inform MechaTronix in writing of the damage without delay, and in any case within 5 calendar days after the occurring of the damage incurred by the Customer.
- f) MechaTronix is not liable and the guarantees do not apply if damage is caused by:
 - Improper use, use contrary to the purpose of the delivered product or use contrary to the instructions provided by or on behalf of MechaTronix;
 - Improper storage or improper maintenance of the Products;
 - Errors or incompleteness of the information provided by or on behalf of the Customer to MechaTronix;
 - Directions or instructions from the Customer;
 - A choice of the Customer that deviates from that which MechaTronix advised and/or what is customary;
 - (Repair) works or modifications carried out by the Customer or third parties to the delivered products, without having received prior express consent of MechaTronix for the works and/or modifications.
- g) In the cases mentioned in section f of this provision, the Customer shall be fully liable for the resulting damage. The Customer shall indemnify MechaTronix against any claims made by third parties.
- h) MechaTronix's liability for damage resulting from intent or deliberate recklessness on the part of MechaTronix or its managers is not excluded.

8. Guarantees

- a) MechaTronix guarantees that the sold product: will comply with the agreement; that it will function without defects; and that it is suitable for the Customer's intended use; all within one calendar year after delivery unless otherwise stated in writing. If during that period it should appear that there are defects in the products delivered by MechaTronix, which are the result of defective execution of the work, or a material defect, the Customer may demand repair or replacement of the parts that are shown to be defective. For this purpose, the parts concerned must be sent freight paid to MechaTronix. The return shipment shall be charged to the Customer. In the case of warranty repairs by a third party, the additional costs may be passed on to the Customer.

- b) If a guarantee has been issued by the manufacturer or supplier for the products delivered by MechaTronix, this guarantee applies in the same way between MechaTronix and its Customers. MechaTronix informs the Customer about this.

9. Warranties

Any warranties set forth in MechaTronix's Sales Agreement or warranty documents with respect to a product are the only warranties made by MechaTronix in connection with the products and the transactions contemplated as a result of this sale. MechaTronix makes no other warranties or representations to the Customer or any other person of any kind, whether express or implied, with respect to the products, and MechaTronix specifically disclaims all implied warranties including, without limitation, the implied warranties of merchantability, fitness for a particular purpose and non-infringement. Products sold hereunder are sold only to the specifications specifically set forth by MechaTronix in writing. MechaTronix's sole obligation for a remedy to the Customer shall be repair or replacement of non-conforming products. The Customer assumes all risk whatsoever as to the result of the use of products purchased, whether used alone or in combination with other products or substances.

10. Reservation of ownership

All products delivered by MechaTronix remain the property of MechaTronix until the Customer has fully complied with all its payment obligations towards MechaTronix under any agreement concluded with MechaTronix to deliver products, including claims in respect of failure in the performance of such an agreement.

11. Special grounds for termination

All products delivered by MechaTronix remain the property of MechaTronix until the Customer has fully complied with all its payment obligations towards MechaTronix under any agreement concluded with MechaTronix to deliver products, including claims in respect of failure in the performance of such an agreement.

12. Force majeure

- a) MechaTronix shall not be liable hereunder for any failure or delay in the performance of its obligations under this Agreement, if such failure or delay is on account of causes beyond its reasonable control, including civil commotion, war, fires, floods, accidents, earthquakes, inclement weather, telecommunications line failures, electrical outages, network failures, governmental regulations or controls, casualty, strikes or labour disputes, terrorism, pandemics, epidemics, local disease outbreaks, public health emergencies, communicable diseases, quarantines, or acts of God, in addition to any and all events, regardless of their dissimilarity to the foregoing, beyond the reasonable control of the MechaTronix, for so long as such force majeure event is in effect and for a reasonable period thereafter. MechaTronix shall endeavor to provide the Customer with notice of the occurrence of such an event within five (5) business days of its occurrence.
- b) If a situation as referred to in this article arises as a result of which MechaTronix is unable to fulfil its obligations towards the Customer, these obligations shall be suspended as long as MechaTronix is unable to fulfil its obligations. If this situation lasted ninety calendar days, both parties have the right to terminate the agreement in whole or in part in writing. In that case MechaTronix is not obliged to pay compensation for any damage, even if MechaTronix gains any advantage as a result of the force majeure.
- c) If MechaTronix has already partially fulfilled its obligations under an agreement at the onset of a situation of force majeure, MechaTronix is entitled to invoice the performances completed to date separately and the Customer is obliged to pay this invoice as if it were a separate transaction.

13. Intellectual property and know-how

- a) The copyright and other intellectual property rights on offers, quotations, sales leaflets, documentation, designs, concepts, drawings etc. remain with MechaTronix or its licensors at all times. The Customer is not entitled, except with the prior written consent of MechaTronix or their licensors, to use, reproduce or disclose the said materials, other than in the context of the (execution of) the agreement.
- b) In the event of breach of the provisions under (a), the Customer shall, without any notice of default being required, owe MechaTronix an amount of USD5,000 for each infringement, to be increased by USD1,000 per calendar day that the infringement continues, without the need for any form of damage and without prejudice to the other rights of MechaTronix, including its right to claim damages in addition to the fine.

14. Lapse of rights

All claim rights of the Customer against MechaTronix, either because of a shortcoming in the performance of an agreement, or as a result of a tort or on any other ground, lapse as soon as a period of one year has passed from the day on which the Customer knew or could reasonably have known of the existence of those claim rights and which the Customer has not brought a legal claim in this respect within that period of a calendar year.

15. Privacy

- a) Insofar as personal data are used/processed in the context of executing the work, these personal data will be processed and protected by MechaTronix in accordance with the General Data Protection Regulation (GDPR) with a high degree of care.
- b) MechaTronix will take appropriate technical and organisational measures to ensure the protection of personal data held and used by MechaTronix. These technical and organisational measures will also serve to prevent loss or any other form of unlawful processing of the personal data. MechaTronix will weigh the nature of the processing against the measures to be taken.
- c) For questions regarding their data, the Customer can contact MechaTronix via privacy@8-lakes.com

16. Applicable law and dispute resolution

This Agreement shall be construed, and the respective rights and duties of the Customer and MechaTronix shall be determined, according to the laws of the jurisdiction of Ontario, without giving effect to its principles of conflicts of laws. The UN Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. The Parties irrevocably submit to the exclusive jurisdiction of the courts of the Province of Ontario to settle any disputes or claims which may arise out of or in connection with this Agreement. The Parties further agree, to the extent permitted by applicable law, to waive any right to trial by jury with respect to any claim, counterclaim or action arising from the terms of this Agreement.