



TERMS & CONDITIONS OF SALE

Application of Terms and Conditions. The following terms and conditions shall govern the sale by Ocean Sonics Ltd. (the "Seller") of orders for products sold to the buyer.

Acceptance. The placing of an order or contract will be deemed as acceptance by the buyer of the following terms and conditions unless registered otherwise in writing at the time of order.

Validity. Quotations supplied are valid for 30 days unless otherwise stated in the quotation.

Quantities. Quotations only apply to the quantities stated unless agreed in writing.

Telephoned orders and instructions. No responsibility is taken by the Seller for errors arising from telephoned instructions unless confirmed in writing or by email or fax at the earliest opportunity.

Prices. All prices quoted are FCA (Free Carrier) as defined by Incoterms® 2010. This means that duty, customs fees and taxes are the responsibility of the buyer. Unless otherwise stated, HST/GST is chargeable at the prevailing rate where applicable.

Currency. Prices quoted are in US Dollars, unless otherwise stated. If another currency is used, the Seller reserves the right to alter prices at the time of invoice if the exchange rate has changed by more than 2.5% from the time of the contract.

Terms of payment. Terms of payment are Payment: 100% Prior to Shipment. Credit terms may be agreed in advance, and must be stated in writing. In no case shall credit terms extend beyond 30 days.

Ownership. Title to the equipment remains with the Seller under all circumstances until payment is received in full. The Seller's responsibility for the products ceases upon delivery to the carrier. In the event of loss or damage during shipping, the buyer's claim shall be against the carrier only.

Interest on overdue accounts. The Seller reserves the right to impose an interest charge equivalent to 2.5% per month for overdue accounts.

Delivery times. Delivery times are quoted in good faith and are subject to variation in work load, suppliers ability to supply and are therefore given without guarantee and shall not permit penalty or cancellation.

Inspection/Acceptance. The buyer shall inspect the delivered equipment promptly upon receipt and shall notify the Seller within 20 days of receipt of the equipment of any defects, damages, failure to meet specifications, any shortage in delivered goods or any other issues whatsoever with the equipment. Failure to give such notice within the 20 days of receipt of the equipment shall constitute acceptance of the equipment. If any equipment is rejected by the buyer due to the equipment not meeting the specifications set out in the purchase order, then the Seller shall have the right, but not the obligation, to cure any such defect by replacing the non-conforming equipment within a reasonable time.

Buyer's property. While all reasonable care will be taken of buyer's property while in the possession of the Seller, such items are only accepted at the buyer's risk.

Cancellation. Cancellation of order can only be made with prior agreement of the Seller. The Seller reserves the right to claim against the buyer for reasonable expenses incurred in the execution of the order/contract.

Limited Warranty. Products are guaranteed to be free from defects in workmanship and materials for 12 months from the shipment date. Any claims must be made within 12 months of the shipment date. The warranty is void if the equipment was misused, stored improperly when not in use, any equipment seal is opened, or tampered with, or it has been determined that the equipment was improperly wired or if the connectors were improperly lubricated or not lubricated at all. Warranty is only valid upon Seller's receipt of payment in full for the Products to be warranted. The buyer will observe the Sellers and other instructions and regulations that may be issued for the proper use of the equipment and shall be entirely responsible for any damage caused to the said equipment through failure to observe such instructions or regulations. It is the sole responsibility of the buyer to ensure that the equipment is suitable for the intended task.

Return Policy. Should a return be deemed necessary by the Seller, equipment must be returned, properly packed with all parts, and fully insured, to the Seller with all costs and freight prepaid by the buyer.

Limitation of Liability. For any breach of these terms and conditions, the seller's sole and exclusive maximum liability shall not in any event exceed the total price of the products ordered by the buyer.

In no event will the seller be liable to the buyer for consequential, incidental, special damages or economic loss (including but not limited to expenditures, investments, commitments, or lost profits) arising from any claim or action, incidental or collateral to, or directly or indirectly related to the purchase of the products, whether such claim is based in contract, statute, tort, implied duties or obligations or others legal theory.

The seller shall not be liable if it is unable to perform any of its obligations contained in these terms and conditions due, directly or indirectly, to matters beyond the control of the seller, including, but not limited to, the delay in transportation, any labour disputes, any acts of the elements or any acts of god.

The seller will not be held liable for any loss, damage or injury (including death) to any person or property with regard to the use and supply of the product. The buyer agrees to indemnify the seller of any such losses or damages.

No Assignment. The buyer may not assign its rights or obligations under this Agreement or Order without express written consent of the Seller.

Invalidity of Terms. If any provision of this Agreement shall be held invalid, illegal or unenforceable, the remaining provisions apply in full and the invalid or unenforceable provision will be replaced by a provision that lawfully enforces the Parties' intention underlying the invalid or unenforceable provision.

Governing Law and Jurisdiction. The law of the Province of Nova Scotia and applicable law of Canada will govern the validity, interpretation and enforcement of these terms and conditions. The Seller and the buyer irrevocably submit to the jurisdiction of the courts of Nova Scotia in any suit, action or legal proceeding arising out of or relating to these terms and conditions.

Entire Agreement. This document is the entire understanding between the parties and it supersedes any prior preprinted terms on buyer's order and any previous written or oral communications or representations by either party related to the products. This document can be modified by written agreement between the parties.