

## TERMS & CONDITIONS AND PRODUCT WARRANTY

### 1. Conditions:

No terms or conditions contained in any order placed with **JORDAIR COMPRESSORS INC. (JORDAIR)** other than those stated herein, and no agreement or other understanding in any way modifying the terms and conditions herein, and no agreement or other understanding in any way modifying the terms and conditions herein shall be binding on JORDAIR unless hereafter made in writing and signed by its duly authorized representative. The purchaser shall be deemed to have agreed to the terms hereof by signing the credit application or upon the acceptance of any goods to which this order confirmation or invoice relates.

### 2. Prices:

The possession of a Jordair Price List by any person is not to be construed as an offer to sell the goods listed thereon at prices stated. All prices including those on Order Confirmations are subject to change without notice. Prices in effect at time of shipment will prevail.

### 3. Terms of Payment:

Terms are Net 30 days from date of invoice with advanced approved credit. If in the opinion of Jordair, the financial condition of the purchaser at any time does not justify continuance of production or shipment on the terms of the payment specified, Jordair may require full or partial payment in advance. Equipment held for the purchaser shall be at the risk and expense of the purchaser. Interest at the rate of one percent per month will be charged on past due invoices for a total interest rate of 12% per annum. Orders in excess of \$75,000 will require a down payment amount of 25% of the order total with order. Down payment is not required on Government tenders.

### 4. Terms of Payment:

Jordair shall retain ownership of the goods sold hereunder until fully paid for.

### 5. Delivery:

- (a) On sales made ex-factory as the point shipment, goods in transit are solely at the buyers risk and all claims for loss or damage must be filed by the buyer. Unless otherwise indicated, all sales are ex-factory JORDAIR COMPRESSORS INC., Delta, B.C., Canada.
- (b) On sales made FOB destination, Jordair will assume all responsibilities and file claims for any goods damaged or lost in transit.
- (c) Jordair shall not be liable for special consequential damages caused by delay in delivery, or failure to manufacture.
- (d) Jordair shall not be liable for any delays or defaults hereunder by reason of fire, floods, acts of God, labour troubles, inability to secure raw materials, acts of government or other causes beyond reasonable control. In the event of such a delay, the date of delivery shall be extended for a period equal to the time lost by reason of delay.

**6. Taxes:**

Prices are exclusive of any sales, excise or similar tax, federal or provincial, which has been or may be imposed with respect to the sale of personal property or services hereunder, to the extent legally permissible. Any such tax shall be the buyer's responsibility.

**7. Acceptance and Cancellation of Orders:**

All orders are subject to approval and acceptance in writing at the office of JORDAIR COMPRESSORS INC in Delta, British Columbia. Any cancellation of orders after one week of placement will result in a cancellation charge of a minimum of 20%.

**8. Limited Warranty:**

The utmost care is exercised in the manufacture of Jordair products to assure complete customer satisfaction and Jordair guarantees each new piece of equipment manufactured to be free from defects in material and workmanship under normal use and service for a period of 24 months from date of start-up or 28 months from date of shipment for compressor units or 90 days for spare parts. Compressor utilized in non-breathing air packages are warrantable as above except the terms of the warranty is 18 months from date of shipment, 12 months from date of start-up or 3 thousand operating hours, whichever occurs first. The obligation under this guarantee is limited to the furnishing at Jordair factory of a replacement part for any defective part, with the exception of wear and tear parts, of said equipment that shall be returned to Jordair with transportation charges prepaid. Services performed by Jordair, other than the replacement of defective parts, such as adjustment, lubrication and cleaning of the equipment of components thereof, is the owner's responsibility.

Jordair Compressors Inc. warrants that it will repair, and/or replace F.O.B. its factory a similar part to any part of material that it manufactured in the Bauer compressor block within 10-years after the date of sale by a dealer to a retail purchaser. The part or material replacement is valid when proven to the satisfaction of the Manufacturer to have been defective at the time it was purchased, providing that all parts claimed defective shall be returned, properly identified with an return authorization number, to the Manufacturer, freight prepaid.

**Conditions of warranty:**

- The 10-year warranty applies only to Bauer blocks in breathing air applications.
- The compressor installation must be done in accordance with the Jordair instructions for installation. See the technical support documents for air intake and auxiliary cooling fan installation.
- The compressor must be operated by a Jordair factory trained technical operators with valid certificates, certificate upgrade every 2-years is required to maintain warranty.
- The compressor must be inspected and serviced every 6 months by a Jordair factory trained technician with a valid certificate.
- A compressor log must be kept up to date and confirmed.
- The warranty form must be filled out and registered with JORDAIR COMPRESSORS INC.

This warranty pertains only to the Bauer block supplied by Jordair Compressors Inc. and shall only extend to the original retail purchaser of it exclusive of any distributor, dealer or wholesaler.

**THE FOREGOING WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

9. **Weights:**

Catalogue weights are approximate and vary with equipment specifications and may change without notice. Jordair assumes no liability for errors in the stated weight of a product.

10. **Limitation of Liability:**

The liability of JORDAIR COMPRESSORS INC herein for damages, special, indirect, incidental or consequential, or otherwise, of any type, kind or description in connection with the goods being sold herein shall never exceed the purchase price of the particular quantity delivered with respect to such goods sold herein or anything done in connection therewith, whether by way of this invoice, or contract, or any warranty or otherwise, shall not exceed the purchase price of the particular quantity delivered therein. The purchaser acquiring the goods as described herein shall be bound by the limit of liability herein stated.

11. **Changes:**

Notice of changes in orders must be made and accepted in writing. If production is in process for special equipment, the buyer will be charged accordingly.

12. **Material Refund for Credit:**

New part returns and warranties must be handled expeditiously. Goods purchased by the buyer may with the written consent of Jordair be returned under the terms and conditions of the Jordair warranty and procedures manual provided the product is new, in unused condition, in current production and/or regularly carried by Jordair as a stocked item. Problems/Shortages must be announced in writing within 10 working days of receipt of product. Return of goods must be within 30 days in order for product to be considered for warranty or credit. Items shall be sent freight prepaid by the buyer to Jordair at Delta, B.C. After products have been inspected, accepted, and restocked the buyer shall be credited the purchase price paid by the buyer less the total of the transportation cost and reasonable restocking charges, if applicable, incurred by Jordair.

13. **Minimum Billing:**

Orders for less than \$25.00 net can be billed at \$25.00 plus transportation and insurance charge.

**14. Expedite Fee:**

Orders for non-warranty parts placed for same day shipment after 1:30 PM Pacific Standard Time will carry an additional charge of \$75.00. Courier service will be used. Same day UPS shipments terminate at 1:00 PM.

**15. Compliance with Laws:**

JORDAIR COMPRESSORS INC will comply with all applicable federal, provincial and local laws and specifically represents that any goods to be delivered hereunder will be produced with the requirements of the Fair Labour Standards Act of 1938, as amended.

**16. Controlling Law:**

This agreement shall be construed and interpreted according to the internal laws of the province of British Columbia, without regard to its choice of law principles. It is further expressly understood and agreed that this agreement shall be deemed to have been executed in the City of Vancouver, and to have been performed in the City of Vancouver, British Columbia, Canada.

**17. Forum:**

Any action at law, suit in equity or judicial proceeding relating to this agreement or any provision thereof shall be instituted only in the applicable BC court situated in Vancouver, BC. Jordair and the purchaser hereby consent to the exclusive jurisdiction of such courts, and acknowledge that such courts have personal jurisdiction over them and agree that venue is proper in those courts. Jordair and the purchaser hereby waive the right to a jury trial in any such suit or action.

**18. Attorney's Fees:**

In the event JORDAIR COMPRESSORS INC employs an attorney because of a violation of any term or provision of this agreement by the purchaser, the purchaser shall pay and be liable for reasonable attorney's fees and court costs incurred by JORDAIR COMPRESSORS INC, including an allowance for fees required in post-judgement collection efforts.

**19. Entire Agreement:**

This agreement sets forth the entire understanding of the parties hereto and supersedes all other agreements and representations, oral or written, with regard to the subject matter of this agreement.

**20. Severability:**

Any adjudication, decision or agreement of the parties that any provision hereof is illegal or void shall not affect the remaining provisions hereof which shall continue in full force and effect.