

1 Applicability

- 1.1 These Conditions of Sale (“Terms”) govern all sales of goods (“Goods”) and services (“Services”) by Frontier Power Products ULC (“Seller”) to the customer (“Buyer”). If a separate written contract is signed by both parties, this contract prevails in the event of conflict.
- 1.2 These Terms, together with any quotation, order confirmation, or invoice issued by Seller (“Sales Confirmation”), form the entire agreement and supersede all prior or contemporaneous discussions or documents. Buyer’s purchase terms do not apply, and fulfillment of an order does not constitute acceptance of Buyer’s terms.
- 1.3 Seller may update or modify the Terms of Services without Buyer’s consent, provided such changes do not materially affect scope, pricing, or stated delivery commitments.
- 1.4 All orders are subject to Seller’s credit approval. This may include requesting buyer’s financial statements, carrying out a third-party credit check, requesting for the buyer’s valid credit card details and requesting for a completed credit application. Seller may require advance payment if Buyer’s financial condition is determined insufficient.

2 Delivery of Goods & Performance of Services

- 2.1 Delivery times are estimates only; Seller is not liable for delays. Goods are delivered FOB Seller’s location unless otherwise agreed in writing. Buyer assumes risk at the Place of Supply.
- 2.2 Partial shipments may be made at Seller’s discretion, each shipment constituting a separate sale.
- 2.3 If Buyer fails to take delivery, risk transfers when goods are deemed delivered, and storage costs may apply.
- 2.4 Buyer shall provide access, information, materials, and approvals necessary for Seller to perform Services.
- 2.5 Although every effort is made by the Seller to conform to Buyer’s order for the purchase of goods and/or services, the Seller shall not be liable for any actual or implied costs in the event that delivery of goods or service is delayed or if the goods or services do not conform to the Buyer’s order.

3 Inspection and Acceptance

- 3.1 Buyer must inspect Goods within three (3) days of receipt (the "Inspection Period"). Goods are deemed accepted unless Buyer provides written notice of non-conformance, with supporting documentation, within the Inspection Period.
- 3.2 Non-Conforming Goods are limited to:
 - (a) Goods different from those identified in Buyer's purchase order; or
 - (b) Goods whose labeling or packaging materially misidentifies contents.
- 3.3 If timely notice is provided, Seller will, at its discretion, replace the Goods or issue a credit/refund. Buyer's remedies are exclusive.

4 Price & Fees

- 4.1 Goods and Services are billed at the prices in effect on the date of the Sales Confirmation. Seller may adjust prices if increases occur before shipping.
- 4.2 Buyer is responsible for all applicable taxes, both federal & provincial - that are in effect at the time of the sale.
- 4.3 Returned Payment Fee: A \$50 CAD fee applies to any payment returned unpaid, dishonoured, or revoked, including cheques or electronic payments.
- 4.4 Seller may charge administrative fees, legal costs, and expenses incurred in collecting overdue amounts, consistent with Section 11 (Collections & Costs).
- 4.5 The Seller reserves the right to pass on any applicable additional charges to the Buyer that includes but not limited to tariffs, surcharges, forex charges, etc.

5 Payment Terms

- 5.1 Payment is due Net 30 days from invoice date unless otherwise stated in writing.
- 5.2 Late payments bear interest at 2% per month (24% per annum) or the maximum lawful rate, accruing daily and compounding monthly.
- 5.3 Withholding or Set-Off:
 - Buyer may not withhold payment due to disputes and may not set off any amounts, regardless of any claim Buyer may assert.
 - Seller may set off any amounts Seller owes to Buyer against any amounts Buyer owes to Seller.

- 5.4 Seller may apply payments in any order at its discretion.
- 5.5 Seller may suspend deliveries or Services if any amount remains unpaid.

6 Invoice Disputes (30-Day Rule)

- 6.1 Buyer must review all invoices upon receipt. Any dispute regarding an invoice must be submitted in writing to Seller's Accounts Receivable department at **ar@frontierpower.com** within thirty (30) days of the invoice date and must include reasonable supporting documentation.
- 6.2 If Buyer submits a timely and properly documented invoice dispute, Seller shall review the dispute in good faith and, if the invoice is determined to be incorrect, Seller will issue a corrected invoice or credit. Buyer's sole and exclusive remedy for any billing error is the issuance of such correction or credit.
- 6.3 If Buyer fails to dispute within 30 days, the invoice is deemed accurate, valid, and accepted, and Buyer irrevocably waives the right to dispute thereafter.
- 6.4 Undisputed portions remain payable under standard terms.

7 Invoice Delivery & Submission Method

- 7.1 Seller will make reasonable efforts to comply with Buyer's invoicing requirements (format, portals, electronic delivery). Seller does not guarantee compatibility with customer systems.
- 7.2 If portal, email, or technical issues prevent timely submission, Seller may issue invoices by printed mail or other commercially reasonable method, and such invoices shall be deemed properly delivered.
- 7.3 Payment terms begin from the invoice date, regardless of delivery method.

8 Title, Risk of Loss & Security Interest

- 8.1 Title passes to Buyer only upon full payment of all amounts owing for the Goods and/or Services. Until paid in full, Buyer grants Seller a purchase money security interest (PMSI) in the Goods under applicable personal property security legislation.
- 8.2 **Expanded Security Registration Rights:**
Buyer authorizes Seller to:

- register PPSA financing statements without notice.
 - register garage-keeper, repairer, commercial, or similar liens.
 - perfect, renew, protect, or enforce any security interest.
 - charge Buyer a lien-discharge administration fee when applicable.
- These practices align with industry standards for equipment-based credit sales.

8.3 If Buyer defaults, Seller may repossess Goods without notice and without prejudice to any further remedies. Partial payments may be retained as liquidated damages.

9 Limitation of Liability

- 9.1 Seller is not liable for indirect, incidental, consequential, or special damages including lost revenue, profits, production, or opportunities, regardless of theory of liability.
- 9.2 Seller's maximum liability is limited to the amounts paid for the specific Goods or Services.

10 Collections, Costs & Enforcement

- 10.1 Buyer shall pay all costs incurred by Seller in collecting overdue amounts, including legal fees on a solicitor-client basis, collection agency fees, and enforcement costs.
- 10.2 Default includes:
- failure to comply with any of these Terms.
 - insolvency, bankruptcy, fraud, or misrepresentation.
 - Seller reasonably concluding that Buyer may be unable to pay.
- Upon default, all amounts become immediately due.

11 Returns

Buyers must obtain written authorization before returning Goods. Standard stock items may be returned subject to:

- minimum 25% restocking fee depending on condition/customization.
- transportation and freight costs.
- costs required to restore Goods to saleable condition.

12 Compliance with Law

Buyer shall comply with applicable laws, including export/import regulations. Seller may cancel orders that are not required to comply with regulatory restrictions.

13 Waiver

No waiver by Seller of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by Seller. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

14 Force Majeure

Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller, including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lockouts, strikes or other labour disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage.

15 Assignment

Buyer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Seller. Any purported assignment or delegation in violation of this section is null and void. No assignment or delegation relieves Buyer of any of its obligations under this Agreement.

16 Governing Law

All matters arising out of or relating to this Agreement are governed by and construed in accordance with the laws of the Province in which the sale is confirmed and the federal laws of Canada applicable therein without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than those of the Province in which the sale is confirmed. The United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement.

17 Severability

If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. In the case of sale of goods, the applicable laws and taxes that will govern the sale are of the province where the goods are delivered, transported or freighted.

18 Relationship of the Parties

The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.