



TERMS OF SALE

1. DEFINITIONS

“Purchase Order” means a Customer form completed by the Customer that sets out the Services requested by the Customer to the Company and is approved by the Company.

“Customer” means the natural or legal person for whom the Services are or shall be performed by the Company.

“Terms of Sale” means these terms of sale.

“Analysis Request” means a Company form completed by the Customer that sets forth the Services requested by the Customer to the Company and is approved by the Company.

“Reference Documents” means the Service Proposal, the Purchase Order, the Analysis Request, the Terms and Conditions of Sale and any other agreement mutually concluded in writing between the Customer and the Company, including any amendments or renewals of such documents.

“Sample” means any sample or other material provided by the Customer to the Company in connection with the Services.

“Warranty” means the warranty described in Section 12 herein.

“Parties” means the Customer and the Company.

“Service Proposal” means a document offering the Company’s Services and pricing to the Customer, as amended where applicable.

“Intellectual Property” means any intellectual property, whether registered or not, patents, trademarks, copyrights (registered and unregistered), trade secrets, technologies, know-how and any other technical information invented or created by the Company.

“Results” means the results of the Sample analysis, whether in a report and/or any other document produced by the Company in connection with the Services requested by the Customer.

“Services” means running tests, analyses, and/or trials by the Company for the Customer according to the specifications set forth by the Customer in the Service Proposal, the Analysis Request, and any other documents expressly accepted in writing by the Parties.

“Company” refers to H2Lab Inc. and its affiliates.

2. SCOPE

The Reference Documents are the only agreements between the Parties regarding the Services. No other terms or conditions shall be binding unless expressly accepted in writing by the Parties.

The Terms of Sale shall prevail over any terms and conditions in any Purchase Order, Analysis Request, or any other documents provided to the Customer that are not expressly accepted in writing by the Company. The more operational

aspects of the Service Proposal shall prevail over the Terms of Sale, including but not limited to the Service description and pricing as well as Sample processing, use, transportation, outsourcing, data and files.

These Terms of Sale revoke and supersede all previous versions.

3. ACCEPTANCE

The acceptance procedure is generally as follows: the Company sends a Service Proposal to the Customer, who must accept it. The Customer then sends the Company a Purchase Order and an Analysis Request, which the Company must also accept. The Parties may agree on an alternative method of operation as long as it is done in writing.

Notwithstanding the foregoing, a) the Customer shall be responsible for ensuring that the Service Proposal meets its needs; and b) receiving a Purchase Order, Analysis Request, Service Request, or Sample from the Customer means the Customer has accepted the Terms of Sale and the Service Proposal.

Subject to the terms set forth in the Warranty, the Results are sent to the Customer and are automatically accepted by the Customer upon receipt.

4. PRICE AND PAYMENT TERMS

Prices for Services offered by the Company are those set forth in the Service Proposal. Unless otherwise specified in the Service Proposal, prices for Services offered do not include ancillary charges, transportation charges, special request charges, cost increases related to outsourced work and applicable taxes. Work prices are subject to change without notice.

The Customer shall be responsible for indicating the Service Proposal number to be applied on the Analysis Request. Failure to include such a number shall result in the application of the Customer’s general Service Proposal or general price list.

Notwithstanding the foregoing, the Company reserves the right to increase the Service prices in the event of any discrepancy in the nature or number of Samples concerning the Service Proposal, as well as in the nature of the Services to be performed. The Company also reserves the right to increase the prices of the Services and any additional fees and costs for any requests for the processing of Samples not provided for in the Service Proposal.

The Customer shall be responsible for any excess shipping and handling, as well as disposal charges related to its Samples. The Customer shall be responsible for any legal costs associated with managing Samples. The Customer shall also bear any expenses related to the development, preparation, production and publication of the Results.

The Company reserves the right to require partial or full payment for the Services at any time before rendering them. The Company also reserves the right to require an authorized



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payment method to deduct fees for Services and any other amounts without further consent from the Customer.

Unless otherwise specified, for any Customer with authorized credit, payment shall be made within thirty (30) days of the invoice date. For any overdue amount, the Company shall charge an eighteen percent (18%) credit fee per annum. The Company reserves the right to suspend credit, refuse to perform Services, withhold reports, and modify prices or Service levels for any past due amount.

5. ORDER MODIFICATION

No amendment to any Reference Document shall be binding unless made in writing and signed by the Parties. If such modification results in an increase or decrease in the Company's costs or in additional time to perform the Services, an adjustment to the amount due and the delivery date may be made, resulting in the Purchase Order and the Analysis Request being modified accordingly in writing.

Under no circumstances shall the Company be liable to the Customer for any costs, expenses, or damages arising from any delay caused by the Customer's changes to the order.

6. CUSTOMER OBLIGATIONS REGARDING SAMPLES AND COLLABORATION

The Customer shall be responsible for ensuring that the Samples required to provide the Services are delivered in a condition that allows such Services to be provided safely and efficiently. The Customer shall be responsible for ensuring that the Samples provided comply with all regulations for which the Services are required. The Customer shall notify the Company of any Samples that may be hazardous to the safety of personnel and shall assume the shipping and handling, processing, transportation and disposal costs incurred by the Company.

The Customer undertakes to provide the Company with all required information in a timely and complete manner, ensure the cooperation of its representatives, as requested by the Company, and comply with any other obligation mutually agreed upon between the Parties in writing.

The Company reserves the right to modify or refuse to provide the Services if the information required for proper processing of the Samples is incomplete or inaccurate, or if the condition of the Samples is unsuitable or unsafe for analysis by the Company, without any compensation to the Customer and without any right of recourse by the Customer.

If the Customer fails to comply with the obligations set forth in this Section, the Company may, at its sole discretion, increase delivery times and costs of the Services without any compensation to or right of recourse by the Customer.

7. SAMPLING

The Customer shall be solely responsible for sampling and for ensuring that the correct volume of Sample is taken, according

to the required sampling method and the storage method necessary for the requested type of analysis.

The Customer shall be responsible for the quality and frequency of sampling.

To guarantee the integrity of the Samples, the Customer shall be responsible for ensuring that Samples are correctly packed and sent to the laboratory, respecting the necessary requirements, such as storage times, temperature, laboratory working hours, etc.

8. LABORATORY SAMPLING

In the case of sampling carried out by the Company, a sampling contract must be entered into before work begins. The Customer shall define the sampling parameters, their frequency and the sampling period. The Customer shall specify any special requirements in the event of non-standard results (such as sampling frequency, location, etc.). The Customer shall notify the Company of any maintenance or repair work to be carried out on the drinking water system to be sampled. In addition, the Customer shall inform the Company of any changes to the sampling plan. The Customer must define the contact persons at the laboratory and those who should be contacted in an emergency. The Customer shall provide access to the sampling site at the specified intervals.

9. SAMPLE TRANSPORTATION

The Customer shall be responsible for any loss or damage to its Samples or any delay in their delivery at any time prior to their receipt at the Company's laboratory. The Company shall not be responsible for the transportation of Samples by a third party, including but not limited to transportation of Samples to its laboratories or between different locations, whether the carrier is the Customer or an external transportation service, and whether the transportation company has been hired by the Company or by the Customer. On the other hand, the Company shall be liable for any loss or damage to the Customer's Samples when the Company's employees transport the Samples to the Company's laboratory.

If the Customer outsources transportation services using the Company's account, the Customer hereby agrees to defend and indemnify the Company, its directors, officers, representatives, subsidiaries and affiliates against any claims, losses, damages, costs and expenses of any nature or amount whatsoever filed by the carrier against the Company.

10. SAMPLE PROCESSING

The Customer shall send its samples correctly identified to one of our locations along with a completed web analysis request OR a duly completed paper analysis request.

The analysis period begins as soon as the Sample is received and accepted by the processing laboratory (whether the Company's or an outsourced laboratory). No analysis shall be started if the Analysis Request or any other information is missing or has not been received. If the Sample's condition prevents the laboratory from processing the Samples directly,



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the delay shall be calculated once the Sample's condition allows it.

The Customer shall inform the laboratory if the Samples will be subject to legal proceedings so that specific measures can be taken at the time of analysis. The laboratory may provide a chain-of-custody form and tamper-evident label at an additional charge.

The Customer shall inform the laboratory of the expected detection limit for the different tests. Dilutions may be necessary in the event of interference increasing the detection limit. Pricing may also vary.

Sample remainders shall be kept for a maximum of 28 days from the date of Sample acceptance OR according to the retention period of the requested analyses (if less than 28 days). Once this period has elapsed, they shall be disposed of in accordance with environmental laws unless written notice is received from the Customer (fees apply) or returned at the Customer's expense.

The Company is bound to forward the Results to the relevant Government Departments and the Public Health Department in the case of a "non-potable water" analysis assessment if the water source supplies a communal well or a company.

For the purpose of research by the laboratory, the Customer hereby accepts that the sampled material sent to the laboratory may be subject to further analysis or additional work without any further charge or contribution from the Customer.

11. DELIVERY AND PERFORMANCE LEAD TIME

The delivery and analysis times specified in the Service Proposal or any other Reference Document are given for information purposes only and in no way shall constitute a commitment on the part of the Company. Work and delivery lead times shall begin once the Company has received all the information required to carry out the work. Therefore, the Company shall not be held liable to the Customer for any consequence arising from delays in the provision of the Services.

The Company shall not be liable for any delay or failure to deliver arising from any cause beyond its control, including but not limited to delays by a contractor or the transportation company; *force majeure* (including strikes and other labour disruptions, service interruptions or delays affecting any means of transportation, wars, civil strikes, or acts of terrorism); shortage of materials or products requested from suppliers; legislation or intervention by any government or other authority; etc. In such an event, the Company undertakes to notify the Customer and exercise due diligence to provide the Services as soon as commercially possible.

The Results are sent to the Customer in electronic format. The Customer shall be solely responsible for the use of the Results and shall implement, at its sole discretion, the measures it deems appropriate. The Company shall be entitled to receive

full payment of its invoices, regardless of the Results obtained and the conclusions drawn therefrom.

12. SERVICE OUTSOURCING

The Customer hereby authorizes the Company, for any purpose whatsoever, to outsource the performance of the Services, in whole or in part, to any person, firm or corporation of its choice.

13. INTELLECTUAL PROPERTY

The Parties agree that the Final Results created or developed by the Company shall become the exclusive property of the Customer once the Services have been paid for in full.

Notwithstanding the foregoing, the Parties agree that all Intellectual Property relating to the Services shall remain the Company's sole and exclusive property. Nothing in the Terms of Sale shall prevent the Company from using or granting third parties any rights relating to its own Intellectual Property, as long as it does not include any confidential information relating to the Results or the Customer.

Any breach of this Section shall be deemed a breach of the Terms of Sale and may cause immediate and irreparable damages to the Party involved.

14. CONFIDENTIALITY

The Customer acknowledges that any information relating to the Company, which is marked confidential or deemed confidential, including Intellectual Property, technical data, drawings, plans, analyses, technical instructions, data, description of Services, sales and marketing strategies, customer and supplier lists, and pricing or documents related to the Terms of Sale shall be considered secret and confidential and shall be the property of the Company. The Customer shall, at all times and for any purpose, keep such information confidential and shall not, without the prior written consent of the Company, disclose such information to any individual, firm or corporation, with the exception of the employees of the Customer who are required to use such confidential information in connection with their duties related to the Services. Such employees shall enter into a confidentiality agreement with the Company, which shall include the terms of this clause.

Any violation of this Section shall be considered a violation of the Terms of Sale and may cause immediate and irreparable damages to the Company. The Customer agrees that the Company shall take any legal action, including immediate injunction and/or provisional measures, as the case may be, to prevent infringement of the other Party's Intellectual Property rights.

15. WARRANTY

The Company hereby warrants that the Services do not infringe any third party's registered intellectual property, including any patents, copyrights, trademarks or industrial designs.



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EXCEPT AS OTHERWISE REQUIRED BY LAW, RESULTS ARE SOLD TO THE CUSTOMER WITHOUT WARRANTY OF ANY KIND, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF ACCURACY, RELIABILITY, USE, DURABILITY, MERCHANTABILITY OR OTHER COMMERCIAL OR ADDITIONAL WARRANTY FOR ANY PURPOSE WHATSOEVER.

16. TOUR OF THE COMPANY'S FACILITIES

The Parties may agree in writing to allow the Customer's authorized representatives to visit the Company's facilities from time to time. In such an event, the Customer shall be held liable and indemnify the Company against any damage caused by its representatives while visiting the facilities, particularly to equipment, Samples, people, and real or personal property.

17. TERMINATION

Either Party may terminate an order upon fifteen (15) days' notice or as expressly agreed by the Parties in writing. In such an event, unless otherwise agreed by the Parties in writing, all Reference Documents shall automatically be terminated. Notwithstanding the foregoing, certain Sections of these Terms of Sale shall survive termination, namely Sections 11, 13, 14, 15, 17, 18, 19, 20, 22 and 23.

If the Customer terminates the Purchase Order, it shall be responsible for payment of all amounts due, as if the Services on the Purchase Order had been delivered in full or as agreed between the Parties in writing.

The Company may terminate the order, in whole or in part, without being held liable for any losses, damages, or costs incurred by the Customer if the Customer remains in default of payment for the Services after a ten (10) days' notice to remedy issued by the Company; in the event of *force majeure*, if it becomes insolvent, or if a bankruptcy or insolvency petition is filed by or against the Customer or as otherwise described in these Terms of Sale.

18. INDEMNIFICATION AND LIMITATION OF LIABILITY

The Customer agrees to defend, indemnify, and hold harmless the Company, its directors, officers, representatives, subsidiaries, and affiliates from and against any claims, losses, damages, costs, and expenses of any nature or amount whatsoever based upon or arising from any Sample, information, or material provided to the Company, except as otherwise described in these Terms of Sale and the Service Proposal.

The Parties shall not be responsible for the following:

a) ANY LOSS OF PROFIT, LOSS OF EARNINGS, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PECUNIARY, PUNITIVE OR INDIRECT DAMAGES OF ANY NATURE WHATSOEVER, HOWSOEVER CAUSED, ARISING FROM OR IN CONNECTION WITH ANY BREACH OF THE REFERENCE DOCUMENTS, WHETHER OR NOT THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY THAT SUCH DAMAGES MAY OCCUR;

b) any damage caused by negligence, omission or fault of the other Party.

c) any other limitation of liability described in the Reference Documents.

The Parties agree that compensation for damages caused to the Customer by the Company, of any nature whatsoever and to the extent permitted by law, shall be limited to \$15,000.

19. APPLICABLE LAW

Any dispute between the Parties regarding the Services, the Results and/or the Reference Documents shall be governed by and construed in accordance with the laws of the Province of Quebec and the federal laws applicable therein. The Parties agree that any legal proceedings relating to the Reference Documents shall be filed and adjudicated exclusively in the judicial district of Montreal. This Section shall apply regardless of any conflict of laws.

20. ENTIRE AGREEMENT

The Reference Documents constitute the sole and exclusive agreements between the Parties concerning the Services. No other terms or conditions shall bind the Parties unless expressly agreed in writing.

21. ASSIGNMENT

Neither Party may assign nor transfer, in whole or in part, any rights or obligations under the Reference Documents without the prior written consent of the other Party. Notwithstanding the foregoing, the Company may, without the Customer's consent, sell all or substantially all of its assets or shares to a third party or carry out a tax reorganization with one of the Company's affiliated entities.

22. SEVERABILITY, WAIVER

If any provision of the Reference Documents is found to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect, and the provision found to be invalid or unenforceable shall be replaced by a valid and enforceable provision that corresponds as closely as possible to the spirit and purpose of the invalid or unenforceable provision regarding its economic effect. No waiver of any provision of the Reference Documents shall be valid unless signed by both Parties. A waiver or consent given by either Party at any time shall be effective only in that particular instance. It shall not be construed as a prohibition or a waiver of any right on any other occasion.

23. SUCCESSORS AND ASSIGNS

Successors and assigns shall be bound by and benefit from the Reference Documents.

24. COUNTERPARTS AND ELECTRONIC SIGNATURES

Reference Documents may be signed electronically in one or more identical counterparts, each of which shall be considered an original.