

TRILLIUM US, INC. TERMS AND CONDITIONS

1 SCOPE

1.1 In these Conditions: **"Sale"** means the sale of Goods or Services by the Supplier to the Buyer.

"Buyer" means the party buying Goods or procuring Services.

"Supplier" shall mean Trillium US, Inc., a Nevada corporation;

"Purchase Order" means an order placed on Supplier by Buyer; **"Goods"** means equipment, equipment components, equipment service, spare parts, and other goods and materials the Supplier has agreed to sell to Buyer.

"Services" means any services supplied by Supplier to Buyer.

1.2 These Conditions apply to all contracts for Goods and Services. No modification to these Conditions shall be valid unless in writing and duly signed by a person authorized by Supplier.

1.3 Supplier and Buyer may agree to specific terms, the specific terms shall then apply to and prevail over all other conditions.

1.4 All Purchase Orders are subject to acceptance by Supplier.

1.5 Once accepted the Purchase Order and these Conditions shall constitute the contract (**"Contract"**) between Buyer and Supplier.

2 PRICE QUOTATIONS

2.1 Prices quoted for Goods and Services are valid for 30 days.

2.2 Availability of refurbished goods is subject to prior sale.

2.3 Prices quoted are exclusive of all taxes. All Taxes shall be paid by Buyer unless Buyer provides Supplier with an exemption certificate acceptable to the taxing authority.

3 INSPECTION AND TESTING

3.1 All Goods are inspected by Supplier before supply to Buyer and tested where appropriate.

3.2 An additional charge will be made for tests carried out at Buyer's request.

4 SUPPLY

4.1 All delivery dates given by Supplier are estimates only. Supplier will use reasonable efforts to supply Goods and Services within the estimated time requested and in any event within a reasonable period. Supplier will not be liable for any losses or expenses caused directly or indirectly by any delay or failure to deliver the Goods or Services.

4.2 The Buyer will be entitled to terminate the Contract if a delay exceeds 80 days.

4.3 Unless otherwise agreed in writing all shipments shall be made FCA (Incoterms 2000) Supplier's production and/or distribution facilities.

4.4 Buyer will provide Supplier with delivery instructions promptly on notification the Goods are ready for shipment. If instructions are not received within 10 days after notification, the Supplier will invoice the Buyer for the Goods and make arrangements for storage at the Buyer's expense.

4.5 Buyer agrees to comply with all applicable laws including export certifications that may be required in connection with its purchase of Goods.

4.6 Goods will be supplied and paid for as available. Each shipment shall be considered an independent transaction. Supplier may suspend shipment of the balance of the Contract if Buyer fails to meet their obligations under the Contract.

4.7 All Goods and Services supplied will be deemed accepted unless Buyer promptly notifies Supplier in writing that the Goods are not in compliance with the Contract. Any damaged Goods and packaging must be kept for inspection by Supplier.

4.8 Supplier may modify the specification of Goods without notice provided that the modification does not materially affect the performance, form or fit of the affected Goods or Service.

4.9 Installation and commissioning are not included in the purchase price for the Goods.

4.10 Buyer shall be responsible for shipment of any product requiring Services to Supplier. Supplier shall notify Buyer following discovery of any such product as unsuitable for the performance of Services.

5 PAYMENT

5.1 All payments are to be made in US Dollars.

5.2 Unless otherwise stated, full payment must be made to Supplier within 30 days of the date of invoice. Invoices will normally be issued on the date of delivery of the Goods or completion of the Services. Any invoice disputes must be raised by Buyer within 15 days from date of invoice, or the invoice shall be considered to be accepted by Buyer.

5.3 All Purchase Orders are subject to credit approval before shipment.

5.4 If any payment is overdue Supplier shall be entitled, without prejudice to any other right or remedy, to charge interest on any amount overdue at the rate of 10% per annum compounding daily.

6 RETENTION OF TITLE

6.1 Goods shall remain Supplier's property until Buyer has made full payment to Supplier. Buyer's goods the subject of Services by Supplier shall remain Buyer's property at all times.

6.2 If payment becomes overdue, Supplier may, where permitted by law, and after giving notice to Buyer, enter upon any premises in Buyer's control where Supplier reasonably believes Goods to be to recover Goods.

7 INTELLECTUAL PROPERTY

7.1 Supplier shall retain all rights and ownership of any know-how, technical information, drawings, specifications or ideas, developed or created by the Supplier. All such information shall be kept confidential by Buyer. Such information may not be used by Buyer for any purpose other than for the purpose of using any Goods supplied under the Contract without Supplier's prior written consent.

7.2 Supplier's trademarks and names and those of its associated companies shall not be used otherwise than as applied by Supplier to Goods, Services or associated documentation.

8 WARRANTY

8.1 Seller hereby undertakes to repair or replace at Seller's option any Equipment supplied to Buyer if a defect in materials or workmanship arises under conditions of normal

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and proper use and maintenance (fair wear and tear, and consumables excepted) provided that:

- a) the Equipment was purchased and used for a purpose for which it was suitable, was operated and maintained in accordance with the operating instructions, and was not used in a way which was unsuitable;
- b) the claim is first notified promptly in writing to Seller;
- c) unless otherwise agreed, or specified by Seller, in writing, the defect occurs within eighteen months from the date of shipment of the Equipment or within twelve months from the date of installation of the Equipment, whichever is earlier;
- d) the Equipment has not been repaired or modified by anyone other than Seller or at Seller's direction;
- e) in the case of Equipment or parts not of Seller's own manufacture, unless otherwise required by law, Seller's responsibility shall be limited to passing on to Buyer the benefit of any guarantee or warranty given to Seller by the manufacturer of such Equipment;
- f) in the case of a replacement, Buyer returns, at its cost, the defective Equipment, which is being or has been replaced, to Seller within ten (10) days of delivery of the replacement Equipment by Seller.
- g) The defect does not arise from Buyer's specification or instructions
- h) Buyer has paid the purchase price for the Equipment in full.

8.2 Any repaired or replaced Equipment will continue to be warranted for the unexpired period of the warranty

8.3 Failing satisfactory repair or replacement, Seller may satisfy Seller's liability by reducing the purchase price or refunding the purchase price and retaking the Equipment.

8.4 EXCEPT AS EXPRESSLY WARRANTED ABOVE, ALL WARRANTIES, CONDITIONS AND OTHER TERMS WHICH MAY HAVE BEEN IMPLIED ARE EXCLUDED.

9 LIABILITY AND INDEMNIFICATION

9.1 THE FOLLOWING PROVISIONS SET OUT THE ENTIRE LIABILITY OF SELLER (INCLUDING ANY LIABILITY FOR THE ACTS OR OMISSIONS OF ITS EMPLOYEES, AGENTS, OR SUBCONTRACTORS) TO BUYER IN RESPECT OF:

- (A) ANY BREACH OF THESE CONDITIONS; OR
- (B) ANY REPRESENTATION, STATEMENT OR TORTIOUS ACT OF OMISSION INCLUDING NEGLIGENCE ARISING UNDER OR IN CONNECTION WITH THESE CONDITIONS.

9.2 NOTHING IN THESE SALE CONDITIONS EXCLUDES OR LIMITS THE LIABILITY OF SELLER FOR DEATH OR PERSONAL INJURY CAUSED BY SELLER'S NEGLIGENCE OR FRAUDULENT MISREPRESENTATION

9.3 PHYSICAL DAMAGE TO PROPERTY TO THE EXTENT THAT IT RESULTS FROM BREACH OF CONTRACT OR SELLER'S NEGLIGENCE IN CONNECTION WITH THE PERFORMANCE OF THE CONTRACT, SUBJECT TO AN OVERALL LIMIT OF THE AMOUNT RECEIVED BY SELLER FROM BUYER UNDER THE CONTRACT.

9.4 IN NO CIRCUMSTANCES SHALL THE SELLER HAVE ANY RESPONSIBILITY FOR CONSEQUENTIAL DAMAGES

10 FORCE MAJEURE

10.1 Neither Buyer nor Supplier shall be liable for failures in performance resulting from acts or events beyond its reasonable control.

11 CANCELLATION

11.1 No Contract may be cancelled or altered by Buyer except with Supplier's written agreement and upon terms and conditions acceptable to Supplier.

11.2 Buyer shall be liable for all costs of work done and materials purchased or provided up to the time of cancellation.

12 TERMINATION

12.1 If Buyer commits any act of bankruptcy then all sums due to Supplier under the Contract shall immediately become due and payable and Supplier may terminate the Contract forthwith by written notice.

12.2 Supplier may terminate the Contract with immediate effect in the event of a failure by Buyer to comply with any material provision of these Conditions if the failure continues for more than 14 days after Buyer has been given written notice.

12.3 Termination shall be without prejudice to any prior right of either party.

13 MISCELLANEOUS

13.1 Buyer may neither assign nor transfer any or all of its rights under the Contract without the prior written consent of Supplier.

13.2 All drawings, descriptive matter, technical specifications, capacities, performance rates, descriptions and other particulars given in respect of Goods (whether in catalogues or advertisements or accompanying or referred to in the Contract) are

stated by Supplier in good faith based on Supplier's experience as being correct within acceptable tolerances but are not binding in detail and do not form part of the Contract unless specifically stated to do so. Unless agreed otherwise in writing, it is Buyer's responsibility to ensure that Goods are sufficient and suitable for Buyer's purposes.

13.3 Buyer hereby acknowledges that relevant safety and training literature relating to the Goods and Services will be supplied by Supplier to Buyer free of charge.

13.7 All environments at Buyer's premises and all Goods returned to Supplier must be free from risks to health and safety (save to the extent notified to Supplier in writing and specifically accepted by Supplier).

14 GOVERNING LAW AND DISPUTE RESOLUTION

14.1 The Contract shall be governed by and construed in accordance with the laws of the State of Nevada.

14.2 Buyer and Supplier agree that the courts of the State of Nevada shall have the exclusive jurisdiction to settle any disputes, which may arise in connection with the Contract.

14.3 Supplier shall have the option to bring suit before the Courts of the domicile of Buyer when the claim is for or related to payments due from Buyer.

15 CONFIDENTIALITY

15.1 This quotation is the property of Trillium US Inc and contains confidential information.

15.2 The contents of this proposal, including but not limited to pricing and structure, shall not be disclosed outside the

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customer or disclosed in whole or in part for any purpose other than to evaluate the quotation.

15.3 Upon award, the terms of the award will remain confidential.