

GENERAL CONDITIONS OF SALE

For clarity of the quotation by Formglas Products Ltd. ("Formglas") to the Purchaser, the following terms and conditions (effective March 23, 2011) are assumed, and form an integral part of all Formglas' quotations and offers for the supply only of products. The specific terms of the quote take precedence over the General Conditions of Sale, but any conditions not expressly covered in the quote shall be governed by the following general conditions, unless expressly agreed otherwise in writing by Formglas and Purchaser. If any of these General Conditions of Sale are unsuitable to the Purchaser's needs, Formglas is willing to discuss and negotiate alternatives.

1. Formglas' quote is open for acceptance for 60 days from date of issue. If Purchaser's acceptance is delayed more than 60 days, quoted price and estimated production time are subject to change.
2. A binding order and contract exists between the Purchaser and Formglas only after the Purchaser has accepted Formglas' offer either by signing and returning the Formglas Quote (within 60 days as above), or, after Formglas has accepted, signed, and returned Purchaser's Purchase Order. Once a binding order exists, Formglas will start preparing any required Shop Drawings, and will forward these drawings and/or samples to the Purchaser for approval once the down payment required as indicated on the Formglas Quote has been received by Formglas. For factory-finished goods, the Purchaser must approve the samples and the Shop Drawings. Purchaser is responsible for any "V.I.F." (Verify in Field) dimensions or conditions. Start of fabrication and order production time will only commence after Formglas has received Purchaser's full and final approval of Shop Drawings and samples.
3. Prices quoted DO NOT include materials necessary for installation of the goods (e.g. fasteners, hardware not built into goods at Formglas' factory, caulking, adhesives, joint fill compound, etc.) Unless expressly included in the quote, any mock ups, prototypes, miters, access panels, cut-outs, pre-assembly, custom samples, and similar items required by the Purchaser are extra to the quoted price, and will be provided only if expressly ordered by Purchaser at an extra charge to Purchaser.
4. Formglas relies upon the Purchaser's knowledge and expertise for all designs, intended use, suitability of Formglas' goods, field conditions, dimensions, and quantities required. Purchaser is design responsible, and any drawings created by Formglas were (or will be) prepared under the Purchaser's direction and supervision, and are subject to the Purchaser's review, due diligence, and approval. Purchaser indemnifies Formglas from any and all claims by Purchaser or third parties that are directly or indirectly related to the product design, suitability, and Purchaser's needs.
5. The Purchaser warrants for Formglas' benefit that they own or have rights for Purchaser's Design (defined as the copyright and moral rights for all concepts, look, feel, shape, contour and similar features of surfaces in the product design), and Formglas will receive a royalty-free license to include Purchaser's Design in the goods ordered by the Purchaser. Formglas has sole and exclusive ownership (and Purchaser has no rights nor interest in) all physical embodiments (e.g. molds, patterns, plugs, and similar items) created or used under all orders, even if they contain the Purchaser's Design. Formglas will own all copyrights, moral rights, industrial designs, and all other intellectual property included in, used, or developed with these embodiments (except for the Purchaser's Design), whether or not the Purchaser has paid Formglas a fee or service charge for the design, manufacturing, or use of these embodiments. If Purchaser or a third party makes a

claim of copyright infringement or other claim against Formglas which is directly or indirectly related to Purchaser's Design, the Purchaser will apply its best efforts to assist Formglas' defense, will promptly indemnify Formglas for the cost of Formglas' defense, but Formglas will control and make all decisions for Formglas' defense.

6. All molds, patterns, plugs, and similar items created or used under all orders, even if they contain the Purchaser's Design will be destroyed one month after delivery of materials unless agreement is made in writing otherwise prior to the commencement of manufacturing. Costs associated with mould retention beyond the one month period, unless specifically identified on the quotation, are not included and are the Purchaser's responsibility.
7. Any changes or inaccuracies in the specifications, drawings, or other information received by Formglas from the Purchaser (or the Purchaser's agent), and which directly or indirectly cause extra costs to Formglas, will only be accepted, executed, or corrected by Formglas upon receipt of a written Change Order issued and approved by Purchaser. All Change Orders will become an extra charge over and above the original price quoted, and will be invoiced by Formglas and promptly paid by the Purchaser.
8. Prices quoted for projects destined for the USA or Canada **DO NOT** include taxes unless indicated on the quote. All applicable taxes where Formglas is registered to collect and remit sales taxes will be added when invoiced. Where Formglas is not registered to collect and remit sales taxes, Purchaser shall be responsible for collecting and remitting sales taxes as applicable. For projects destined for Mexico and outside of North America, prices **DO NOT** include any national duties, sales taxes or VAT. These taxes are the responsibility of the Purchaser.
9. Formglas' quote identifies a specific production lead time and is based upon the scope described. If Purchaser requires a shorter or longer production lead time than noted on the quote, and provided Formglas can accommodate such request, a premium may be added over and above the quoted price. Changes in scope may result in changes to both unit prices and total price. Price is subject to escalation if the job is not shipped by the agreed shipping schedule. If Purchaser is unable to accept delivery when goods are manufactured in accordance with the agreed scheduling, then Purchaser acknowledges title passes and agrees to pay invoices (which shall be issued as of the date goods are ready for shipping) within 45 days.
10. Formglas will make a reasonable effort to deliver the goods on the agreed delivery date (or order lead time duration), but cannot be held liable for late deliveries caused by circumstances beyond Formglas' direct control (such as, but not limited to severe weather, government, statutes and laws, strikes, lockout, transportation delays, accidents, etc.).
11. Title to goods sold shall transfer to the Purchaser upon receipt of the goods by a freight carrier, or the Purchaser, or the Purchaser's agent. Formglas shall retain a lien on all the goods sold until full payment is received by Formglas. All quotes exclude insurance. Should the Purchaser require insurance, it may be purchased by the Purchaser or by Formglas as an extra to the quoted price. "FCA" and "CPT" are terms defined by Incoterms 2000 (International Chamber of Commerce). For all orders to be shipped to destinations: a) inside Canada, USA and Mexico, all prices quoted are "CPT Jobsite"; b) Outside North America, prices are: i) "CPT - Port of destination", where freight is included in quote; or ii) " FCA Formglas" where freight is extra.

12. Purchaser's order is solely a material supply contract. The Purchaser's obligation to make payment under this contract is absolute, and is not conditional on the Purchaser's receipt of payment from any third party. The Purchaser will not apply any holdbacks or retainage fees. All invoices are due net 30 days after date of invoice. Late payment charges of 18% per annum (0.0493% per day), calculated daily, compounded monthly apply to all overdue amounts. Failure to pay invoices within terms is a fundamental breach. Formglas retains the right to stop work, hold deliveries, and modify payment terms if any payment herein stipulated is not made promptly, or upon evidence of Purchaser's inability to pay where upon the selling price of hours and materials in process shall be due and payable.
13. All goods will be fabricated to dimensions, specifications, and tolerances on Formglas' Shop Drawings, as approved. Formglas provides material and finishes as per the following specifications.

Formglas GRG	As per Formglas' specification for GRG
Formglas GFRC-L	As per Formglas' specification for GFRC-L
Formglas FRP	As per Formglas' specification for FRP
QuarryCast®	As per Formglas' specification for QuarryCast®
MetalCast®	As per Formglas' specification for MetalCast®
Patterns and Molds	As per finish specified on quote

14. If Purchaser requests Formglas to stop work, or delay the shipment of the goods, Formglas will store the finished goods and/or work-in-process at Purchaser's risk and expense, and will immediately invoice the Purchaser for the full amount of the contract, less the shipping charges (if any), and the Purchaser will promptly pay Formglas' invoice in full. If required, insurance certificates and other verification of goods can be provided by Formglas at Purchaser's cost. When the goods are finally shipped, Formglas will invoice for the shipping charges (if any). Should the Purchaser cancel all or part of an order, the cancellation shall be effective only upon terms satisfactory to Formglas, and which reasonably compensate Formglas for all damages directly and indirectly suffered by reason of such cancellation. Formglas reserves the right to limit the duration, quantity, or value of all items stored, or can terminate any storage. Formglas can invoice for the anticipated storage costs in advance, and the Purchaser will promptly pay these storage costs.
15. Upon receipt of a shipment, the Purchaser shall inspect for any damages, defects or shortages; and within 3 working days notify Formglas in writing of any request of claim, and failure to do so shall constitute waiver of Purchaser's right to make any claim. Any claim for damage occurring in transit must be noted on the Bill of Lading at time of receipt, and Purchaser must immediately notify Formglas in writing, and failure to promptly do both these steps will constitute Purchaser's waiver of any claim. Unloading of product shall be by Purchaser, and Purchaser agrees to reimburse Formglas for costs Formglas incurs related to delays in unloading. Purchaser has an obligation to store and handle products properly; Formglas is not responsible for damage resulting from improper handling, storage or installation. Packaging/bulk loading is at Formglas discretion, but in no event is intended for outside storage.

16. Any installation procedures shown on Formglas' Shop Drawings or specifications are guidelines only, and Formglas is neither responsible nor liable for erection or installation procedures. Installation of goods, and/or application of any work to the goods (including, but not limited to sanding, painting, drilling, cutting, gluing, etc.) where Formglas is not installing the materials, constitutes Purchaser's full and final acceptance of the goods and ratification of Formglas having met all contractual requirements. Formglas will not be liable for damages nor costs associated with installation (such as, but not limited to injuries, surface preparation, filling, caulking, taping, matching, alignment, handling, down-time, low productivity, penalties, special or consequential damages, etc.).
17. If the Purchaser believes the goods do not meet contract specifications, the scrapping, repair or modification of the goods is allowed only after scrap/repair/modification costs have been approved by Formglas in writing. Formglas is not liable for claims arising from the use of damaged, defective and/or modified material; and the Purchaser will indemnify and hold Formglas harmless from all such claims by third parties.
18. Purchaser cannot assign this contract to a third party without the prior written consent of Formglas, such consent to be not unreasonably denied or delayed. All alleged verbal contracts, warranties, assurances, and reliances (whether before, contemporaneous or subsequent to any order) are null and void, or superseded by these terms. All offers, counter-offers, and contracts are deemed to have occurred and entered into at Toronto, Canada. All claims and disputes shall be resolved by mutual agreement, or arbitration (final and binding, and enforceable in any Court of competent jurisdiction), or legal proceedings; all of which shall be commenced and heard at (and interpreted under laws in effect at) Toronto, Ontario, Canada; or with Formglas' prior written agreement, in another jurisdiction.
19. This forms the entire agreement between the purchaser and Formglas. Any alteration of this agreement without the written agreement of Formglas is void. Any condition void by law does not affect the validity of this agreement.
20. Warranty: Formglas will, at its discretion, repair or replace any product that is found to be defective in material or workmanship for 12 months from the date of Buyer acceptance, or 18 months from the date of shipment (whichever occurs first), provided that such product was used in normal construction, conditions and service.

Upon notification thereof, and confirmation that the product was handled, stored, installed and maintained in accordance with Formglas recommendations (as outlined in Formglas Product Data Sheets), Formglas will at its sole discretion repair or replace the defective product. The foregoing shall constitute the Buyer's exclusive remedy and a fulfillment of any or all liability by Formglas with respect to its products.

The warranty may be void if in the sole opinion of Formglas, the product has been found to have been altered, misused (including used in an inappropriate environment), improperly maintained, or installed in an inappropriate manner. The foregoing warranty and the remedies provide for breach thereof are exclusive. All other warranties express or implied by operation of law, course of dealings, usage of trade or otherwise are excluded, and there are no implied warranties of merchantability of fitness for purpose.



Formglas shall not be responsible for any incidental, indirect or consequential loss or damages such as loss of profits or revenue, downtime cost, or costs associated with the removal or reinstallation of its product, or claims of third parties against the purchaser.

Any questions arising from the Conditions of Sale should be directed to:

Vice President, Sales

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