



Proposal

Service estimate for S558 Nova Scotia Coast Guard - Bubbler System

For compressors no. 62009793-94; type KA22-V-GL315

Proposal to: CCGS Louis S St-Laurent
For: Jeffrey Seitz
Project: Field Service

Our reference: HROSNS.AFM.000183
Your ref: HROSNS.AFM.000183
Date: September 28, 2022

Howden Roots LLC, HRO-S, 4654 West Junction Street, Springfield, MO 65802, USA

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Revolving Around You™



Customer: CCGS Louis S St- Our ref: HROSNS.AFM.000183
 Project: Field Service Your ref: HROSNS.AFM.000183
 Site: 558 Nova Scotia Coast Date: 09/28/2022
 Guard - Bubbler System



Contact: Jeffrey Seitz
 Email: LouisStLaurentCE@ccgs-ngcc.gc.ca
 Phone: 709-699-7186

Location: Nova Scotia,
 Model: KA22-V-GL315
 Serial Number(s): 62009793-94
 Description or Scope: Class I

Labor	
Monday-Friday:10 hours/day, Saturday:8 hours/day	
Total Days Required for Job Completion (Working and Standby Days)	12
Quantity of Persons	1
Total Hours Required for Job Completion	108
Monday thru Saturday, first 40 hours: Total Hours: 70, FST rate, \$175/hour	\$12,250
Monday thru Saturday, over 40 hours: Total Hours: 30, FST rate, \$265/hour	\$7,950
Standby rate: Total Hours: 8, FST rate, \$175/hour	\$1,400
Travel	
Airfare	\$1,020
Roundtrip Travel Labor	\$5,250
Meal Expense (12 days on site including weekends, 2 days travel; per person)	\$1,050
Lodging, Incidental, and Transportation Expenses	\$3,394
Toolbox Freight	
	\$350
Estimated Service Total	
	\$32,664
Equipment/Parts	
Required Equipment/Parts for Class I service for 2 compressor(s) include:	
Quantity	Part # Description
	Parts quoted on HROSNS.AFM.000183 Rev1_PARTS
Estimated Equipment/Parts Total	
	\$0
Estimated Overall Total	
	\$32,664

Notes:

The above calculations are only estimates. The final price shall be calculated using the actual Time and Material. Time expenses shall include all project specific time at the fixed hourly rates above plus per diems in accordance with the attached Service Rate Sheet. Time shall include all time required to perform and support the project including, but not limited to, preparation, mobilization, demobilization, site specific safety training, travel, site meetings, and start up support.

This proposal assumes that the site will provide at least one qualified helper to assist the Howden technician.

This pricing also assumes that proper certified lifting will be available and the inlet filter/transition piece, and sound enclosures will be removed (if applicable) for access to perform. Does not include craft labor and tools to support the work.

This proposal does not include the typical replacement components for the service. Any significant wear or abnormalities identified requiring extra labor and/or parts shall be billed per Howden's standard Service Rate Schedule. Howden will provide an estimate of additional time and materials as required.

This offer is made expressly subject to and conditioned upon acceptance of Seller's Standard Terms and Conditions of Sale for products and services, copy attached hereto. Any conflicting or additional terms submitted by Buyer in any request for quote, inquiry, purchase order or other document are expressly objected to without the need of any further notice of objection and they shall not, under any circumstances, be binding upon Seller unless expressly accepted in writing by Seller.

Service and equipment/parts will be invoiced separately.

For international shipments, Customer to provide customs broker's contact information with commercially clear purchase order.

Customer:	CCGS Louis S St-	Our ref:	HROSNS.AFM.000183
Project:	Field Service	Your ref:	HROSNS.AFM.000183
Site:	558 Nova Scotia Coast	Date:	09/28/2022
	Guard - Bubbler System		



Attachments:

Field Service Rate Sheet, Howden Selling Policy, Pre-Service Checklist & Mandatory Lifting Device Reporting.

Time and Material pricing per	Howden Schedule of Field Service Rates
Currency	USD
Terms of Payment	Net 30 Days
Terms of Delivery	DAP Nova Scotia, , Canada (Parts to be shipped from outside Canada. Importer of record,
Terms and Conditions	North American Standard Terms & Conditions for Goods & Services V1 Nov 2021
Forward Purchase Orders to	Howden Roots LLC 4654 W. Junction Street Springfield, MO 65802 USA Phone: (417) 864-5599 / Fax: (417) 866-0235
Service Sales	David Roskowic David.Roskowic@howden.com
Prepared By	Susan Shelton Susan.Shelton@Howden.com

Howden Roots LLC Field Service Rates

HRO-S – US dollars (USD)



*All intellectual property rights are reserved to HUSA and/or the respective owner(s) (if different).

Services Provided: ☐ Inspections ☐ Maintenance ☐ Field Repairs ☐ Balancing ☐ Site Supervision ☐ Project Management ☐ Start Up ☐ Installation Supervision

A. Rates for service in Continental North America U.S. Dollars (USD):

Days	Field Service Technician		Engineering Personnel	
Monday thru Saturday (except holidays)	First 40 Hours	\$175/hour	First 40 Hours	\$270/hour
	Over 40 Hours	\$265/hour	Over 40 Hours	\$400/hour
Sunday, and locally recognized holidays	All Hours	\$350/hour	All Hours	\$540/hour

B. Rates for service outside Continental North America U.S. Dollars (USD):

Days	Field Service Technician		Engineering Personnel	
Monday thru Saturday (except holidays)	First 40 Hours	\$210/hour	First 40 Hours	\$280/hour
	Over 40 Hours	\$320/hour	Over 40 Hours	\$425/hour
Sunday, and locally recognized holidays.	All Hours	\$425/hour	All Hours	\$560/hour

C. Service and Travel Standards (USD)

- The minimum time off for a person during any 24-hour period must be ten (10) consecutive hours.
- Travel time, whether during first 40 hours or over 40 hours, will be invoiced at the Monday through Saturday Field Service Technician rates in Tables "A" & "B". Travel in Continental North America is invoiced actual travel time. Travel outside Continental North America is invoiced actual travel time. Actual travel time on holidays or to the jobsite on Sundays will be at the Field Service Technician Sunday and Holiday rate in Tables "A" & "B".
- Standby time at job site, locally on call, training, or meetings will be invoiced as time worked and be based on Tables "A" & "B". Weekend waiting rate will be 8 hours per day invoiced at the Field Service Technician first 40-hour rate in Tables "A" & "B".
- Rates apply from time and date of departure home base to time and date of return home base.
- Minimum daily charge is eight (8) hours at "First 40 Hours" rate listed above in sections A and B.
- When a project is expected to exceed 5 continuous weeks, then after 3 weeks the Buyer will allow an extended weekend leave or rotation of personnel. Travel fees shall be by Buyer.
- Air travel on flight segments exceeding 12 hours will be business class and shall be paid by Buyer. Air travel on flight segments exceeding 4 hours will be premium economy and shall be paid by Buyer.
- Payments shall be in U.S. funds unless otherwise agreed in writing.
- Rates quoted are subject to adjustment without notice to conform to Seller's published rates in effect at the time service is performed.
- Howden may offer a priority service when the relevant Howden personnel are available, for emergency or breakdown callouts. An additional 30% of the applicable labor rate will be charged where Howden personnel are requested and able to be mobilized within 24 hours of the request being received.

D. Expenses (USD)

- Meals will be \$75/day per diem to be charged from the day of travel start to the day of travel end.
- Lodging, incidental expenses, transportation to and from the city nearest the jobsite, plus local transportation will be invoiced at cost plus 20% administrative fee. Receipt(s) to be provided when any expense exceeds \$60.00.
- Transportation to and from the city nearest the jobsite, plus local transportation will be charged at cost plus 20% administrative fee. The mileage allowance for personal car use will be current U.S. government rate per mile.
- Tool usage, when required, will be charged at a rate of \$350 per trip.
- Expenses for Airline travel shall be charged at cost Plus a 20% administrative fee (Administrative fee shall not exceed \$500).

E. Terms and Conditions

The sale of services by Howden Roots LLC ("Seller") is subject to Seller's Terms for Sale of Goods and if such terms differ in any way from Buyer's order, or if such terms are construed as an acceptance or confirmation acting as an acceptance, then Seller's acceptance is expressly made conditional on Buyer's assent to any terms or conditions contained in Seller's terms that are different from or additional to those contained in Buyer's writing. Further, this quote shall be deemed notice of objection to such terms and conditions of Buyer. If this quote is construed as the offer, acceptance of same is expressly limited to the terms and conditions contained herein. In any event, Buyer's order of the services shall constitute and manifest Buyer's assent to Seller's Terms for Sale of Goods.

1. DEFINITIONS

Buyer: means the purchaser, whose name is set out in Howden's quote or as shown in Howden's acceptance of the Buyer's order.

Contract: means the agreement arising as a result of the Buyer's acceptance of Howden's quote, or Howden's acceptance of the Buyer's order, incorporating these terms and conditions.

Contract Price: means the total sum payable as specified in the Contract.

Direct Costs: means such direct costs borne and incurred by Howden associated with the Contract up to and including the date of suspension and/or termination, including but not limited to manufacturing costs, salaries, third party supplier costs and reasonable overhead and profit margin.

Goods: means the equipment, parts or materials as specified in the Contract.

Howden: means the Howden business unit, which bids for, or accepts an order from the Buyer.

Services: means, as set forth in the Contract: (i) Construction Services: the supply of equipment, subcontracted craft labor supplied by and under the direct supervision of Howden, including on-site technical support in a variety of applicable trades and disciplines, to accomplish equipment installation and maintenance service; and/or (ii) Technical Services: supervisory and/or on-site technical support services supplied by Howden.

2. GENERAL

- 2.1** The Contract shall be subject to these terms and conditions as stated in or referred to in Howden's quote/proposal. Acceptance is made expressly subject to and conditioned upon acceptance of these North American Standard Terms and Conditions for Goods and Services. Any conflicting or additional terms submitted by Buyer in any request for quote, inquiry, purchase order or other contract document are expressly objected to without the need of any further notice of objection and they shall not, under any circumstances, be binding upon Howden unless expressly accepted in writing by Howden. In the event of any conflict with Buyer's order terms, these terms shall in all cases prevail. Acceptance shall not be delayed due to additions, minor omissions or defects that do not materially affect the use of the Goods.

3. PERFORMANCE

- 3.1** Any figures quoted by Howden for performance are based on Howden's experience and are such as Howden expects to attain on test. Howden will accept no liability for failure to attain any such figures unless Howden has specifically guaranteed them, subject to any tolerances specified or agreed to by Howden. If Howden specifically agrees in writing to guarantee performance, Howden is only responsible for proven performance deficiencies after Howden has been given notice and a reasonable opportunity to correct the deficiencies, and only if, and to the extent, Howden has agreed in writing to a liquidated damage clause which shall not in any event result in Howden incurring liability in excess of the Contract Price.

4. INSPECTIONS AND TESTS

- 4.1** Howden products are carefully inspected and where practicable, subject to Howden's standard tests before dispatch. If tests other than those specified in Howden's quote or tests in the presence of the Buyer or the Buyer's representative are required, these will be at additional cost to the Buyer. In the event the Buyer delays in carrying out any inspection or attending such tests after being given at least forty-eight (48) hours' notice that Howden is ready to test, the inspection or tests will proceed in the Buyer's absence and shall be deemed to have been made in the Buyer's presence and the results accepted by the Buyer.

5. DELIVERY

- 5.1** Unless otherwise agreed, delivery shall be Ex-Works in accordance with Incoterms 2020, and partial deliveries shall be acceptable to the Buyer.
- 5.2** In the event that Howden is unable to achieve the agreed Incoterms for reasons attributable to the Buyer within fourteen (14) days from notification of Goods readiness, Howden shall be entitled to invoice the Buyer and receive payment. Furthermore, after this fourteen (14) day period, storage costs will be chargeable to the Buyer in accordance with Section 6.1.

6. STORAGE

- 6.1** If the Buyer, for reasons not attributable to or beyond the control of Howden, is unable to: (i) take delivery of the Goods; (ii) arrange storage; or (iii) where applicable, give Howden its forwarding instructions to enable the dispatch of the Goods within fourteen (14) days from notification of Goods readiness, Howden may provide for storage of the Goods or arrange warehousing on the Buyer's behalf, in each instance at the Buyer's risk and cost. All such charges shall be due and payable by the Buyer on receipt of a simple receipt from Howden or the warehouse keeper as evidence of such storage or warehousing.

7. TITLE AND RISK

- 7.1** Legal and beneficial ownership (title) of the Goods shall remain vested in Howden until full payment of the Contract Price has been made by the Buyer.
- 7.2** The Goods will be at the Buyer's risk from the date of delivery, or if delivery is delayed by the Buyer for any reason, risk will transfer to the Buyer from the date that delivery should have taken place.

8. SUBCONTRACTING

- 8.1** At its option, Howden may arrange for the manufacture of proprietary and subcontracted Goods and/or assembly, testing or any site related Services to be carried out by Howden (Howden manufacturing facilities operate Quality Management Systems compliant with EN ISO 9001), and/or Howden's choice of approved subcontractor. Any assignment by Buyer of the Contract without the express written permission of Howden shall be null and void.

9. TERMS OF PAYMENT

- 9.1** Unless otherwise agreed, payment shall be made within thirty (30) days from the date of Howden's invoice by electronic funds transfer (EFT) or automated clearing house (ACH) transaction.

- 9.2** Should any payment fall into arrears, Howden is entitled to postpone or cancel performance of the Contract wholly or in part and to be paid immediately for performance of the Contract to date (without obligation for liquidated damages, if applicable, incurred due to such termination).
- 9.3** Howden reserves the right to charge late fees at the lesser of the rate of 1.5% per month (18% per annum) or the maximum amount permitted by law, and require Buyer to pay all of Howden's collection costs.
- 9.4** No claim by the Buyer under warranty or otherwise shall entitle the Buyer to any deduction, retention or withholding of any part of the Contract Price. The terms of payment must be adhered to and any such claims handled separately.
- 9.5** For milestone payments required under this Contract, Howden may invoice on the original milestone completion date if the milestone is not met due to Buyer's fault, untimely response or unreasonable delay. In the event that Buyer seeks to modify the Contract, Buyer agrees to make payments in accordance with the original contract terms until such time as modification is mutually agreed upon. Howden only waives claims for payment to the extent that such payments have been received by Howden. If, in Howden's reasonable opinion, Buyer's financial condition may jeopardize full or timely payment, Howden may: (i) require full or partial payment as a condition to commencing or continuing its performance (including in advance of any shipment); or (ii) recover Goods from the carrier, if shipment has been made.
- 9.6** Buyer shall be responsible for all sales, use, value added and similar taxes ("Sales Taxes") required on the Goods and Services, which shall be in addition to the consideration payable for such Goods and Services. If Howden invoices Buyer for such Sales Taxes, then Buyer shall pay such amounts to Howden concurrent with the payment of the consideration upon which such Sales Taxes are calculated. If Howden does not invoice Buyer for such Sales Taxes, Buyer shall report and remit such Sales Taxes directly to the appropriate taxing authority within the time period required by law and shall provide evidence of such remittance to Howden upon request. Buyer shall be responsible for all import, export, customs duties, fees and similar charges ("Duties") in respect of the Goods and Services, and if Howden is required to pay any amount of Duties in respect of the Goods and Services, then Buyer shall reimburse Howden for such amount upon request.
- 9.7** Howden reserves the right to adjust the Contract Price if Howden incurs extra costs due to changes or delays caused by Buyer. If, during the performance of this Contract, the price of raw materials significantly increases through no fault of Howden, the price of the Goods shall be equitably adjusted by an amount reasonably necessary to cover any such significant price increases. As used herein, a significant price increase shall mean any raw material increase in price exceeding 5% experienced by Howden from the date of the Contract. Where the delivery of Goods is delayed through no fault of Howden, as a result of the shortage or unavailability of raw materials, Howden shall not be liable for any additional costs or damages associated with such delay(s). If a supplier increases the price of its equipment incorporated into the Goods during production, Buyer acknowledges that Howden may increase the price of the Goods accordingly. Such price increases shall be documented through quotes, invoices, or receipts.

10. CONTRACT CHANGES

- 10.1** In the event of a change to the Contract ("CO") resulting in an extension to the delivery date(s) which will impact Howden's invoice schedule, Howden reserve the right to invoice the Buyer for the original Contract Price in accordance with the most recent project plan, prior to the CO. Previous invoice milestones will be adjusted pro-rata and invoiced upon Howden's acceptance of the CO. Howden shall be entitled to an equitable adjustment for any increased cost and an adequate extension of time required by Howden to complete the Contract in accordance with any CO.
- 10.2** If Howden deems it necessary to vary any aspect of the Goods and/or the Contract due to an unforeseen change in any applicable law, local regulation or standard becoming effective or taking place after conclusion of the Contract, Howden shall inform the Buyer in writing defining explicitly the changes deemed necessary. In this case, Howden shall be entitled to an equitable adjustment for any increased cost and an adequate extension of time required by Howden to complete the Contract in accordance with any applicable law, local regulation or standard.

11. LIABILITY FOR DELAY

- 11.1** Any lead times quoted by Howden shall run from Howden's acceptance of the Buyer's order and/or on Howden's receipt of all necessary information to enable Howden to commence work under the Contract, whichever is later, and shall be subject to continued and timely performance from the Buyer.
- 11.2** Should Howden agree in the Contract to pay Buyer any liquidated damages, such liquidated damages shall be the Buyer's sole and exclusive remedy in the event of Howden's delay.
- 11.3** If Howden is delayed in its performance of the Contract solely attributable to the fault of the Buyer, the Buyer's agent and/or other contractors, Howden is entitled to receive payment at the time Howden was originally scheduled to be paid notwithstanding the delay. Shipments held beyond the scheduled date at the request or fault of Buyer may be billed immediately to Buyer including reasonable expenses incident to such delay, and Buyer shall assume the risk of loss thereof.

12. SERVICES

- 12.1 Technical Services.** The following provisions shall apply where the Contract includes Technical Services:

- (i) Buyer shall be responsible for furnishing all fully qualified labor, equipment, materials, tools and supplies for implementation of such Technical Services required at site as specified in the Contract.
- (ii) Howden's sole responsibility in providing Technical Services shall be to provide suitably qualified supervisor(s) who shall give the Buyer the benefit of their technical expertise with the Goods or similar installations and who shall advise the Buyer's personnel as to the installation in an efficient manner. It shall be the Buyer's sole responsibility to carry out installation and to achieve the desired work schedules, timescales and quality of workmanship for installation using appropriately qualified workmen in sufficient numbers to achieve the task.
- (iii) Howden shall not be responsible for any overruns in the installation and the Buyer shall not be entitled to instruct Howden's supervisor(s) to undertake any work in addition to supervision, whether or not necessary to achieve such installation.
- (iv) If, due to any overruns in the timescales for installation, Howden is required to keep its supervisor(s) on site for longer than anticipated, Howden shall be entitled to charge for the further site attendance at Howden's standard daily rate.

- (v) If the Technical Services work is suspended by the Buyer or for any reason beyond Howden's control for more than two (2) working days, Howden shall be entitled to withdraw its supervisor(s) from site. If the Buyer requires Howden's attendance on site thereafter, the Buyer will pay the supervisor(s) return travel fares (business class) and any other reasonable costs Howden incurs due to the withdrawal from, and the return to, the site.

12.2 Construction Services. The following provisions shall apply where the Contract includes Construction Services:

- (i) Howden shall provide specialized and trained subcontractor craft labor to perform the Construction Services work under the direct supervision and management of Howden.
- (ii) Fixed price or time and material contracts are quoted separately based on a specific individual statements of work.

13. ALL SERVICES

- 13.1** Unless specified in the Contract, Howden is only the supplier of the Goods and shall have no responsibility for the assembly and installation of Goods.
- 13.2** For all Services provided by Howden, Buyer agrees to the following: (i) where the site is offshore or otherwise inaccessible or is located overseas, provide all necessary transportation facilities to and from site; and (ii) obtain all necessary statutory and other consents, approvals, licences and permissions for Services, for the work to proceed, and for Howden personnel to travel to and from the site.
- 13.3** The Buyer shall indemnify Howden against any loss, damage or injury including death suffered by the person or property of Howden, its subcontractor, the Buyer, or respective personnel or any third party and against any claims, liability, costs or expenses associated therewith or arising out of the Buyer's performance of Services or the Buyer's failure to perform or otherwise, except as expressly provided under Section 17.1, including, but not limited to, that which was caused by faulty lifting tackle, scaffolding, equipment and/or other facilities provided by the Buyer.
- 13.4** Howden's on site personnel, subcontractors and/or representatives shall be given unobstructed access to the site and the work. If there are delays caused by anyone other than Howden, the time and expense of the same shall be charged to the Buyer.
- 13.5** Howden is an independent contractor and is not responsible for any oversight for completion of the Services, or for the property or employees of the Buyer or others, including, without limitation, matters such as health and safety, or security.
- 13.6** Howden shall comply with applicable Canadian, U.S. and/or provincial/territorial/state/local statutes, acts, ordinances, regulations, codes, and laws that apply to Howden's performance of the Services. Howden shall comply with job/site requirements as mutually agreed upon by the parties. Buyer shall advise Howden's personnel in advance of all known and/or suspected hazardous/unsafe conditions and risks that may be encountered while on-site, including proper Material Safety Data Sheets (MSDS). Howden's personnel shall not be required to take any action, or to enter or remain in any area where he/she reasonably determines that it would be unsafe. In such instance, Howden shall be excused from site attendance and the event will be considered a Force Majeure.
- 13.7** Any associated Goods shall be considered accepted at the earlier of: (i) when Services is complete and the Goods have completed such tests as are specified in the Contract or otherwise are to Howden's reasonable satisfaction; and (ii) forty five (45) days after the Goods have been delivered by Howden, although not installed or successfully commissioned or tested due to reasons attributable to the Buyer or to industrial action or anything beyond Howden's reasonable control.

14. SUSPENSION

- 14.1** The Buyer shall have the right to suspend the Contract. If the suspension period should exceed thirty (30) days, Howden has the right to consider the Contract terminated for convenience and be compensated in accordance with Section 15.1. Upon resumption of performance, Howden shall have the right to equitable relief as necessary in accordance with Section 10.

15. TERMINATION

- 15.1** Buyer may terminate this Contract, in whole or in part, upon at least seven (7) calendar days advanced written notice to Howden. In the event of termination for Buyer's convenience, Howden shall be reimbursed for the reasonable Direct Costs incurred by Howden in performing the Contract until termination and for its costs in effecting such termination notwithstanding any other provision of the Contract. Any Goods or Services sold by Howden that are incomplete shall be deemed to be sold "AS IS," "and "WITHOUT WARRANTY OR GUARANTEE OF ANY KIND."
- 15.2** If Howden fails to cure a material breach within a reasonable time after receipt of notice of breach from Buyer, and on Howden's acceptance of such breach, Buyer shall have the right, at its option, to terminate the Contract upon payment to Howden for work performed until the time of termination.
- 15.3** Howden may cancel this Contract, in whole or in part, at any time if: (i) Buyer suspends work or delays delivery in accordance with Section 14.1 beyond 45 days without it being mutually agreed upon in advance; (ii) Buyer breaches any material term of this Contract; and/or (3) Buyer files bankruptcy or otherwise fails to either make full and timely payments, meet its obligations, or provide further assurances.

16. WARRANTY

- 16.1** Howden warrants that: (i) any Goods provided hereunder will be of good material and workmanship; (ii) any Services provided by Howden shall be performed by competent and qualified personnel in a professional and workmanlike manner in accordance with generally established industry standards; and (iii) the Goods and/or Services supplied by Howden hereunder will conform to any applicable technical specifications and/or drawings that have been agreed upon between the parties as set forth in the Contract.
- 16.2** In the event that defects appear in the Goods under proper use, Buyer's sole and exclusive remedy thereof shall be that Howden will repair or replace such Goods at Howden's option and cost (but not including transportation, removal, reinstallation, and decontamination) within the warranty period set forth in the Contract. Unless otherwise expressly agreed, the warranty for Goods shall be whichever period expires earlier: (i) twelve (12) months from first operation of any such Goods; or (ii) eighteen (18) months from Howden's delivery date (at the applicable Incoterms point of delivery quoted by Howden).

- 16.3** Howden's warranty on Services performed by Howden will be in effect: (i) until ninety (90) days after the date of performance of any Technical Services; and (ii) one year after the date of performance of any Construction Services. The Buyer's sole and exclusive remedy for breach thereof shall be the re-performance of such Services by Howden.
- 16.4** Howden's warranty shall exclude liability for defects arising from: (i) installation, commissioning and/or operation, not in accordance with Howden's O&M manual or good industry practice; (ii) use of unapproved spares, unauthorized modification or alteration of the Goods; (iii) normal wear and tear; (iv) the failure of Buyer and/or the end-user to provide adequate storage; or (v) use of the equipment otherwise than in accordance with the agreed operational parameters (including composition, pressure and temperature of the feed gas). No part shall be deemed defective by reason of its failure to resist fouling and the action of erosive or corrosive gases.
- 16.5** Any warranty repair or replacement of Goods or re-performance of Services shall be warranted by Howden for the remainder of the original warranty period. No "evergreen" or "in-place" warranty is being provided.
- 16.6** Howden shall have the sole right to specify the manner and timeframe for such repair/replacement/ re-performance. Defective/non-conforming parts(s)/Goods must be returned to Howden free of all contaminants and, in the event of replacement, will become the property of Howden unless Howden instructs otherwise. If Howden opts to perform any warranty obligations in-place, Buyer shall, without cost to Howden, during a specified time period agreed upon by the parties, provide access by disassembling, removing, replacing, and reinstalling any equipment, structures, or other obstructions to the extent necessary to permit Howden to perform its warranty obligations.
- 16.7** **THERE ARE NO WARRANTIES, CONDITIONS, GUARANTEES, REPRESENTATIONS, OR REMEDIES THAT EXTEND BEYOND THESE TERMS AND CONDITIONS. ALL OTHER WARRANTIES, CONDITIONS, GUARANTEES, REPRESENTATIONS, OR REMEDIES EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE (INCLUDING ANY CONDITION OR WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE) NOT EXPRESSLY SET FORTH HEREIN, ARE FULLY DISCLAIMED AND EXCLUDED TO THE FULLEST EXTENT PERMITTED BY LAW. HOWDEN'S WARRANTIES DO NOT COVER ANY GOODS OR SERVICES THAT HAVE BEEN ALTERED OR SUBJECTED TO ACCIDENT OR IMPROPER STORAGE, INSTALLATION, ASSEMBLY, COMMISSIONING, MAINTENANCE, USE OR APPLICATION. HOWDEN DOES NOT WARRANT THAT THE GOODS WILL RESIST THE ACTION OF EROSION OR CORROSIVE GASES, LIQUIDS, OR SOLIDS, OR PRODUCE RESULTS IN COMPLIANCE WITH ANY LAWS, DECREES, OR OTHER STANDARDS.**
- 17. LIABILITY FOR ACCIDENTS AND DAMAGE**
- 17.1** Howden will indemnify Buyer from non-nuclear claims brought by third parties against Buyer for (i) bodily injury (including death); and (ii) property damage, each only to the extent directly caused by the negligence of Howden. Howden shall not be responsible for the acts/omissions of Buyer or others. Howden's indemnity obligations shall not apply to Buyer property or any nuclear activity/incident.
- 18. INSURANCE**
- 18.1** Howden shall maintain the following insurance coverage: (1) Commercial General Liability with limits of \$1,000,000 combined single limit occurrence for Bodily Injury, Physical Property Damage of third party property, and Contractual Liability coverage, subject to an annual aggregate of \$2,000,000; (2) Automobile Liability – Bodily Injury/Physical Property Damage in the amount of \$1,000,000 combined single limit each occurrence; and (3) Workers Compensation Insurance – statutory, as to Howden's employees. If requested, Howden will provide an ACORD form of certificate confirming such coverage. Howden's provision of a certificate of insurance in accordance with Buyer's site requirements does not constitute Howden's acceptance of Buyer's terms of purchase. Howden shall have no other or further obligations related to insurance or coverage.
- 19. LIMITATION OF LIABILITY AND EXCLUSION OF CONSEQUENTIAL DAMAGES**
- 19.1** Notwithstanding anything to the contrary contained herein or elsewhere in the Contract and save to the extent this limitation is prohibited by law:
- (i) Howden's total liability pursuant to this Contract whether by way of indemnity, for breach of Contract, warranty or guarantee obligations or by reason of any tort, statute or otherwise shall in no event exceed the Contract Price.
 - (ii) Howden shall not be liable to Buyer, end-user or any third party, for any indirect, punitive or consequential damages of any kind or nature whatsoever, or for loss of profits/revenue or loss of production, regardless of whether such damages are based upon Contract, tort, strict liability in tort, negligence or indemnity.
- This Section shall survive any termination, default, cancellation or any other discontinuance of this Contract.
- 19.2** Any duty to indemnify under these terms and conditions/the Contract is conditioned upon Buyer: (i) making no statement prejudicial to Howden; (ii) providing prompt and detailed notice to Howden of any such claim; (iii) tendering the defense/settlement to Howden with sole control over the same; and (iv) providing full cooperation, authority, and assistance to Howden.
- 19.3** Buyer's rights and remedies shall be deemed sole and exclusive and in place of those at law and equity. The exclusions and limitations set forth in these terms and conditions shall control at all times and survive any breach or termination of the Contract. If any provision of these terms and conditions of this Contract or part thereof shall be held by judicial determination to be invalid or unenforceable they shall be severed from this Contract and the valid or enforceable parts of these terms and conditions shall continue in full force and effect.
- 20. NO HAZARDOUS SUBSTANCES**
- 20.1** Howden warrants to the Buyer that no Hazardous Substance will be used or is contained in the manufacture and supply of the Goods. For the purpose of this Section 20.1, a "Hazardous Substance" means asbestos or any material containing asbestos that is capable of causing harm to the natural and man-made environment including all or any of the following media: air (including air within buildings and other natural or man-made structures above or below the ground), water, land, and any ecological systems and living organisms (including man) supported by those media, and in the case of people, this includes offense caused to any of their senses or harm to their property.
- 21. INTELLECTUAL PROPERTY**
- 21.1** Howden will indemnify the Buyer against any claim for infringement of copyright, patent, registered design or trade mark (published at the date of the Contract) by the use or sale of any Goods supplied by Howden to the Buyer and against all

costs and damages which the Buyer may incur in any action for such infringement or for which the Buyer may become liable in any such action. This indemnity shall not apply to any infringement which is due to: (i) Howden having followed a design, process or instruction furnished or given by the Buyer; (ii) the use of such article or material in a manner, or for a purpose, or in a country, not specified or disclosed to Howden; or (iii) the use of such article or material in association or combination with any other article or material not supplied by Howden. This indemnity is conditional on the Buyer giving Howden the earliest possible notice in writing of any claim being made or action threatened or brought against the Buyer and on the Buyer permitting Howden, at its own expense, to conduct any litigation that may ensue and all negotiations for a settlement of the claim. The Buyer warrants that any design or instruction furnished or given by the Buyer shall not cause Howden to infringe any copyright, letters patent, registered design or trademark in the execution of the Contract. If as a result of any such claim of infringement, the continued use of the Goods for the purpose intended is enjoined by any court of competent jurisdiction, Howden shall, at its option and expense: (i) procure for Buyer the right to continue using such Goods; (ii) replace or modify the Goods so that the Goods become non-infringing; or (iii) refund the purchase price of the infringing Goods. The foregoing is the sole remedy of Howden with respect to infringement.

- 21.2** All patents, copyright and other intellectual property rights in or relating to the Goods or their design or the specifications, drawings, manuals or information prepared or supplied by Howden, or which arise under or in the course of Howden's performance of the Contract, are, shall be and shall remain Howden's absolute property and shall not be used or reproduced without Howden's consent in writing. Howden shall grant the Buyer a royalty free licence to use such intellectual property rights for the sole purpose of operating and maintaining the Goods. Notwithstanding any other provisions or requirements of this Contract, except as set forth in this Section 21.1, no intellectual property or proprietary information is being sold, granted, transferred, licensed, or assigned; there are no works-made-for-hire or unrestricted use (any government rights shall be "limited rights"). Buyer shall not reverse engineer or otherwise attempt to re-create the Goods/Services.

22. CONFIDENTIALITY

- 22.1** Any specifications, drawings, manuals, information or particulars supplied with Howden's quote or under the Contract are supplied by Howden in confidence. They shall not be used by the Buyer except for the purposes of the Contract and for the proper use of the Goods and shall not be disclosed by the Buyer to any third party (except the Buyer's employees having a need to know for the aforesaid purposes) for any other purpose whatsoever without Howden's prior written agreement. The foregoing shall not apply to information which is or becomes public knowledge without fault or failure by the Buyer or its employees.

23. EXPORT CONTROL

- 23.1** The Buyer agrees that it will not participate directly or indirectly in the sale, resale, export, transfer or disposal of Howden products or technology ("Products") to any entity or to any country in breach of applicable export control and sanctions laws including but not limited to those of the US, Canada or other countries (together "Export Control and Sanctions Rules") and the Buyer will not sell, resell, export, transfer, dispose or otherwise deal with the Products to any country, destination or person without first obtaining any required export licence or other governmental approval, and completing such formalities as may be required by Export Control and Sanctions Rules. The Buyer shall not put the Products in their entirety or in part to any use in connection with any prohibited or illicit end use including, but not limited to, use in nuclear, chemical or biological weapons or rocket or missile applications. Upon Howden's request, the Buyer shall provide information in response to any reasonable request (including a written certification) regarding compliance with applicable laws, rules or regulations and/or in connection with any applications made by Howden to the authorities in connection with the export or supply of the Products. Failure by the Buyer to comply with the terms of this clause shall constitute a material breach of the Contract. Howden reserve the right to refuse to enter into or to perform any order, to cancel any order, or to void any warranty concerning the Products, if Howden determines, at its sole discretion, that the entry into such order or the performance of the transaction to which such order relates would be unlawful or be at risk of prohibition by any Export Control and Sanctions Rules. Howden shall be excused from performance, and not be liable for damages or costs of any kind including, but not limited to, liquidated damages and/or penalties for late delivery, for failure to deliver or delay in delivering the Products, or for delay or refusal to repair or replace under any warranty, resulting from Howden's exercise of its rights in accordance with this Section 23.1.

- 23.2** **Buyer warrants that it or any ultimate end user does not intend to use the Goods or Services in any atomic/nuclear installation or activity. If such use is intended, Buyer shall notify Howden prior to entering into any contract with Howden and shall agree to standard nuclear indemnity obligations related thereto. Any breach of this warranty shall release Howden from performance and any and all liabilities of any nature under the Contract and obligate Buyer to execute an amendment to this Contract incorporating such nuclear indemnity obligations prior to any performance by Howden.**

24. FORCE MAJEURE

- 24.1** Neither party shall be considered in default or in breach of its obligations under the Contract to the extent that performance of such obligations is prevented or delayed by any circumstances outside its reasonable control including, without limitation: strikes, lock-outs or other industrial disputes, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, embargoes, economic or trade sanctions, including any amendments to such embargoes and economic and trade sanctions, accidental breakdown of plant or machinery, fire, flood, storm, disease outbreak or epidemic and/or any resulting quarantine restrictions ("Force Majeure"). Either party shall be entitled to terminate the Contract if the Force Majeure situation continues, or it is obvious that it will continue, for more than one hundred and eighty (180) days without liability to the other party. Furthermore, should both parties agree that they want to continue the Contract when reasonably practicable to do so, notwithstanding the aforementioned 180 day period being reached, the parties will agree in good faith to renegotiate any necessary Contract amendment(s) to allow the Contract to continue.

25. LAW AND JURISDICTION

- 25.1** The Contract shall in all respects operate and be governed by New York law if the Howden business's principal office is located in the US and Ontario if the Howden business's office is located in Canada.
- 25.2** The official language of this Agreement is English. It is the express wish of the parties that this Agreement and any related documents be drafted and executed in English. Il est la volonté expresse des parties que cette convention et tous les documents s'y rattachant soient rédigés et signés en anglais.
- 25.3** **If the Howden business's principal office is located in the United States:** All disputes arising out of or in connection with this Contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration conducted in accordance with the rules and procedures of the American Arbitration Association and any award or adjudication rendered thereby shall be final, non-reviewable, non-appealable and binding upon the parties. The language to be used in the arbitral proceedings shall be the English language. The arbitration shall take place in the City of New York in the State of New York.
- If the Howden business's principal office is located in Canada:** All disputes arising out of or in connection with this Contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration conducted in accordance with the Ontario Arbitration Act, S.O. 1991, c.17 and the rules and procedures of the Canadian Arbitration Association then in effect. The award or adjudication rendered by the Arbitrator shall be final and binding upon the parties, with no right of appeal. The language to be used in the arbitral proceedings shall be the English language. The arbitration shall take place in the City of Toronto in the Province of Ontario.
- 25.4** The Uniform Law on the International Sale of Goods shall not apply to any Contract arising from any order placed under these terms and conditions.

26. ENTIRE AGREEMENT

- 26.1** This Contract contains the entire understanding of the parties with respect to the subject matter hereof and supersedes any and all prior negotiations, contracts, commitments, and writings with respect thereto. There are no oral understandings, terms or conditions and neither party has relied upon any representation, express or implied, not contained in this Contract

27. DATA PROTECTION

- 27.1** The personal data disclosed by a party under the course of the Contract does not belong to the recipient of such data. The data must be protected and shall not be disclosed to any third party, or altered, violated or used except for the purposes of the Contract. Either party may require the destruction of this data upon the end of the relationship between the parties. The parties undertake to comply with all applicable laws on the protection of personal data.

Pre-Service Checklist

This form shall be completed and returned to Howden for all sites where our employees may be performing activities.

Site Name: _____

Please provide the following information on the blowers to be serviced during this trip		
Is the complete O&M available?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Are all the special tools available? Refer to O&M for list & drawings.	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Is an inlet filter system or sound enclosure on blower? If so, must be removed by site.	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Have spare parts been ordered for this service?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Are all standard spare parts on site?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
If all standard parts not available; list spare parts available:		
For Class II only, is an Acetylene torch with rosebud on site?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
For GK & GA only, is a hydraulic pump with 0-10,000 psi gauge on site?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
For GK & GC only, is a bearing heater on site?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Is the compressor(s) being serviced operational?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
If compressor not operational, list S/N:		
If compressor not operational, list last date in operation:		
Blower or site issues?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Explain:		
Does the compressor(s) being serviced Start / Stop?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Are there high temperature <input type="checkbox"/> alarms / <input type="checkbox"/> trips?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Explain:		
Are there surging issues?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Explain:		
Does the master control panel work?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Other issues? Explain:		
Will one local helper be available to assist Howden personnel?		
	<input type="checkbox"/> YES	<input type="checkbox"/> NO

Our Technical Field Advisor contact: Name _____ Phone _____

If this form is not returned completed we will assume that all items are on site and ready for our Technical Field Advisor (TFA) to travel to your site to perform the service as contracted. The information provided shall be reviewed and approved by Howden prior to any work being done by a Howden employee. Note: Additional information may be required as part of the review process.

Person Completing Form:

Name: _____ Title: _____

Signature: _____ Date: _____

Contact Information: _____