

# Clearpath Robotics Inc.

## Terms and Conditions of Sale



### 1. SALE

Clearpath Robotics agrees to sell the ('Hardware') specified in the Quote ('Quote'), provide a license to any associated system ('Software'), (Hardware and Software together, the 'Equipment'), and provide any related installation or other services specified in the Quote, and the Customer agrees to purchase the Equipment and pay any service charges.

### 2. DELIVERY AND INSTALLATION

The term "**Cutover Date**" shall mean the date on which the Customer is notified in writing by Clearpath Robotics that the Equipment is installed and functioning so as to be substantially providing the basic service for which the Equipment is intended. Minor omissions or variances in the performance of the Equipment, which do not materially affect the operation of the Equipment as a whole, shall not affect or postpone the Cutover Date.

The "**Acceptance Date**" shall be within ten (10) days of the Cutover Date. This period is intended to provide any final changes to satisfactorily complete the installation or of the Equipment.

### 3. ADDITIONS AND DELETIONS

The Customer will be responsible for paying all fees associated with any additional time required by Clearpath Robotics to complete the installation and the training due to delays on missed commitments by other vendors, suppliers or the Customer with regard to this project. The Purchase Price may be revised to reflect any additions, deletions or changes to the Quote, which will be detailed in a Change Order Notice agreed to by both parties.

### 4. CHARGES AND PAYMENT

Clearpath Robotics will bill the Customer for, and the Customer shall pay, the price and all other charges specified in this agreement and all applicable taxes and government charges relating to the purchase, licensing and provisioning of the Equipment and any related services. Payment in full of the amounts in each bill is due on or before the date shown on the bill or, if no due date is shown on the bill, within 30 days of the date of the bill. The Customer shall pay interest on all overdue amounts at the rate shown on the bill or, if no interest rate is shown on the bill, at the simple 2% per month (24% per year). The Customer grants Clearpath Robotics, and Clearpath Robotics may register, a security interest in the Equipment in accordance with applicable personal property security legislation.

### 5. TITLE AND RISK

Title to and property in the Hardware will pass to the Customer on full payment to Clearpath Robotics of the total charges for the purchases of Equipment and all-applicable taxes and government charges. If payment in full for the Equipment is not made by the Customer, Clearpath Robotics shall have the right to remove or require the return of the Equipment. The Customer assumes the risk of loss to the Equipment from and after delivery, and until full payment to Clearpath Robotics of the total charges for the purchase and any license and all applicable taxes and government charges, the Customer shall keep the Equipment insured to its full insurable value, keep it free from mortgages, liens or charges, and not sell, pledge, encumber or dispose of it. Until title to and property in the Hardware has passed to the Customer, the Customer will not allow any installation or servicing of, or repairs, moves, additions or changes to, the Equipment by any person not authorized by Clearpath Robotics.

### 6. SOFTWARE

Except as may be provided for in any separate software license or use agreement that may be provided with the Equipment by Clearpath Robotics or by its third party suppliers, and that, if provided, will apply to the use of any Software by the Customer, (a) the Customer shall use any Software (whether embedded in the Hardware as firmware or otherwise) in accordance with any accompanying documentations and only in conjunction with the Hardware, (b) the Customer shall not assign, sub-license or distribute any right in the Software, copy (except for one copy for backup purposes), decompile, reverse engineer or disassemble, modify or transmit the Software, (c) the Customer shall not copy or distribute any accompanying documentation and (d) the Software any copy or modification of it is and will remain the sole property of Clearpath Robotics or its third party suppliers. The foregoing provisions are in addition to and do not replace the terms and conditions set forth in any third party terms and conditions.

## **7. WARRANTIES AND EXCLUSIONS**

Clearpath Robotics warrants that the Equipment and work covered by this purchase order will conform to the specifications in the quote, and will be of good material and workmanship, and free from defect, during the Warranty Period, which begins on the date of receipt and continues for a period of twelve (12) months. Warranties for third party accessories vary by manufacturer and are not guaranteed by Clearpath Robotics. Clearpath Robotics will assist in the in the execution of warranties for third party accessories. Warranty does not include materials consumed or degraded through normal operation and maintenance of the Equipment; these materials include, but are not limited to, tires, batteries, and weather stripping.

During the Warranty Period Clearpath Robotics will repair, or at its option, replace the Hardware or affected parts, using new or, at its option, used or refurbished parts, and will provide all maintenance releases and patches issued at no cost by the Equipment manufacturer(s) to correct Software problems of which Clearpath Robotics is notified by the Customer. The Clearpath Robotics Warranty is null and void and Clearpath Robotics has no obligation to provide services described in this paragraph if (a) the Equipment is damaged by causes external to the Equipment or is abused, neglected, or improperly shipped, stored, maintained, repaired, or operated (b) the Equipment is sold by the Customer to a third party without Clearpath Robotics' consent (which will not be unreasonably withheld); or (c) any payments due to Clearpath Robotics have not been made. Clearpath Robotics has no obligation to provide services under the Clearpath Robotics Warranty after the Warranty Period unless the Customer notifies Clearpath Robotics of the warranty claim before the end of the Warranty Period. The Customer's only remedy for breach of the Clearpath Robotics Warranty is performance by Clearpath Robotics of the services described in this section.

Clearpath Robotics shall not guarantee error-free or uninterrupted operations of the Equipment. Clearpath Robotics is not responsible for inherent defects in the equipment or systems that are used in combination with the Equipment or for the Equipment's lack of expected capability or functionality unless otherwise set forth in the Quote. Except for the warranties expressly set out above or elsewhere in this Agreement, Clearpath Robotics makes no warranties, representations or conditions of any nature whatsoever, either express or implied, and all warranties, representations and conditions (including express or implied warranties or conditions of merchantable quality, durability, and fitness for a particular purpose) are excluded, to the extent permitted by applicable law.

## **8. CUSTOMER RESPONSIBILITY**

It is the responsibility of Customer to: (a) comply with all applicable laws, regulations and ordinances; (b) follow all safety standards and ensure that the Equipment is maintained and operated by Customer in a safe manner and suitable environment, in accordance with the recommended maintenance requirements prescribed by us; and (c) ensure that personnel operating the Equipment are adequately trained and comply with all laws, regulations, codes and safe practices, including health and safety and workers' compensation laws, applicable to Customer's activities and its ownership, possession and use of the Equipment. Customer acknowledges that modification, removal or addition of components or changes to the functionality or operation of the Equipment in any way may jeopardize the safety of the Equipment.

## **9. LIMITATION OF LIABILITY**

Except for the obligations of indemnity in this Agreement, neither party (nor its suppliers or Customers) shall be liable to the other party for any damages for the loss of profits or business, loss or damage to data or failure to realize expected savings, or for any punitive, consequential, incidental or indirect damages, related to the use of or inability to use the Equipment or related to the provision of any services, even if the party could reasonably foresee or has been advised of the possibility of such damages.

Clearpath Robotics is not responsible for, or liable for any damages or other amounts related to: (a) the Customer's non-compliance with instructions of the manufacturer or Clearpath Robotics, or with the Customer's obligations under this Agreement; (b) any data, equipment, services, or database or other software, necessary for use or used in conjunction with the Equipment; (c) the unavailability of replacement parts or lack of manufacturer's support for the Equipment; or (d) any refusal of Clearpath Robotics to carry out any services under conditions that Clearpath Robotics determines hazardous.

The aggregate liability of Clearpath Robotics and its Affiliates to the Customer relating to arising out of this Agreement, whether in contract, tort or otherwise, shall not exceed the total of the price and all other charges paid by the Customer under this Agreement.

## **10. INDEMNITY**

In addition to any third party terms and conditions, Clearpath Robotics will defend any claim or legal proceeding brought against the Customer based upon a claim that the Equipment infringes any intellectual property right enforceable in Canada and will pay any settlement, damages or other amount finally awarded, provided that: (a) Clearpath Robotics has sole conduct of the proceedings and any settlement negotiations; (b) the Customer has promptly notified Clearpath Robotics of all such claims and has not made any admissions in respect of them; (c) the Customer provides Clearpath Robotics with reasonable assistance and authority in connection with the defence of such claims; and (d) Clearpath Robotics may, in its discretion and at its expense, either procure for the Customer the right to continue to use the infringing item or, if these options are not commercially feasible, accept return of the Equipment from the Customer and grant the Customer a credit for the depreciated value of the Equipment. Clearpath Robotics shall have no liability for any claim of infringement based on any modification of the Equipment not approved by Clearpath Robotics in writing any combination, operation or use of the Equipment with any other equipment, data or programs not furnished by Clearpath Robotics, or any use of the Equipment in a manner for which the Equipment was not designed. This paragraph states Clearpath Robotics' entire liability and Customer's exclusive remedy for infringement.

## **11. SUSPENSION AND TERMINATION**

Clearpath Robotics may immediately terminate this Agreement if the Customer fails to pay any amounts due under this Agreement, or if Clearpath Robotics determines, in its sole discretion, that the Customer is an unacceptable credit risk, provided that Clearpath Robotics gives five (5) days advanced notice to the Customer. Clearpath Robotics may immediately terminate this Agreement without liability if the Customer fails to provide a satisfactory End Use Statement or Certificate when requested to do so, or provides an incomplete End Use Statement or Certificate, or if an export permit is denied.

In addition, either Clearpath Robotics or the Customer may terminate this Agreement by giving notice to the other if the other:

- a. is in material default of any provision of this Agreement, and does not remedy that default within thirty (30) days after receiving notice in writing of the material default;
- b. becomes insolvent or bankrupt
- c. appoints, or has appointed for it, a receiver or trustee in bankruptcy
- d. makes an assignment or takes any other action for the benefit of its creditor
- e. has instituted against it any proceeding in bankruptcy, receivership or liquidation, and such proceedings continue for thirty (30) days without being dismissed; or
- f. is wound up or dissolved.

If the Agreement is terminated by Clearpath Robotics, for any reason, all unpaid amounts specified in the Quote, and all applicable taxes and government charges, shall immediately become due and payable to Clearpath Robotics, without demand, and if not paid Clearpath Robotics may immediately repossess and remove the Equipment without any further legal process. Clearpath Robotics is not liable for any damages or other amounts related to any action it is required to take to carry out such removal.

The Customer may not terminate this Agreement for any reasons other than noted above.

## 11. EXPORT CONTROLS AND END USE

Equipment purchased or received under these Terms and Conditions of Sale are subject to export control laws, restrictions, regulations and orders of Canada and the U.S. Customer agrees to comply with all applicable export laws, restrictions and regulations of Canada and the U.S. or other foreign agencies or authorities, and shall not directly or indirectly export, or transfer for the purpose of reexport, any product to any prohibited or embargoed country or to any denied, blocked, or designated person or entity as mentioned in any such Canadian, U.S., or foreign law or regulation. Customer represents and warrants that it is not on the Denied Persons, Specially Designated Nationals, Entity, Unverified, or Debarred Lists and is not otherwise prohibited by law from purchasing the products or services hereunder. Clearpath Robotics reserves the right not to supply certain customers and to require from Customer full details of the end use and final destination of the products. Customer shall be responsible to obtain any license to export, reexport or import as may be required. Clearpath Robotics provides no assurances or warranties for any export classifications provided to Customer, such as Export Control Classification Numbers or Harmonized Tariff Codes. Export classifications are subject to change, and Customer, if exporting on its own behalf, is responsible for determining the correct classification of any item at the time of export.

The Customer will provide Clearpath Robotics with written End Use Statements or Certificates upon request from Clearpath Robotics.

## 12. OTHER

**Interpretation.** The headings in this Agreement shall not affect the interpretation of any provision of this Agreement. The words 'including' and 'includes' mean 'including without limitation' and 'includes without limitation'. **Assignment.** The Customer shall not assign all or part of this Agreement without the prior written consent of Clearpath Robotics. **Relationship.** This Agreement does not create or imply any agency, partnership, or other joint relationship between the parties and does not authorize either party to bind or obligate the other in any way. **Force Majeure.** Clearpath Robotics is not responsible for performance of, or in default of, any obligation or provision of this Agreement where delayed, hindered or prevented by labour disruptions, failure of the networks of other companies, casualties, civil disturbances, legislation, regulation, judicial order, acts of civil or military authorities, accidents, fires, natural disasters or other catastrophes or events beyond Clearpath Robotics' reasonable control. **Severability.** If any part of this Agreement is void, prohibited or unenforceable, this Agreement shall be construed as if such part had never been part of this Agreement. **No Waiver.** The failure of the Customer or Clearpath Robotics to exercise any right under this Agreement, or to insist upon strict or full performance of the obligations under this Agreement, shall not constitute a waiver or relinquishment of any provision of this Agreement. In order to be binding upon a party, any such waiver must be express and in writing signed by that party. The rights of the parties under this Agreement are cumulative and not alternative. **Survival.** Any provisions of this Agreement, which, expressly or by their nature, extend beyond the termination of this Agreement, shall survive any termination of this Agreement. **Law.** Clearpath Robotics and the Customer shall comply with all laws applicable to the exercise of their rights and performance of their obligations under this Agreement. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The Parties hereto hereby agree that the Ontario courts shall have exclusive jurisdiction with respect to any dispute or matter relating to this Agreement or the transactions contemplated hereby. **Notices.** All notices necessary under this Agreement shall be given in writing, and either personally delivered, or sent by registered mail or facsimile to the Customer at its billing address in the Quote and to Clearpath Robotics at 1425 Strasburg Rd. Unit 2A, Kitchener Ontario, N2R 1H2, Canada, Fax: 1-888-374-0091. Notices, if personally delivered or sent by facsimile, will be deemed to have been received the same day, or, if sent by registered mail, will be deemed to have been received four (4) days (excluding Saturdays, Sundays and statutory holidays) after the date of mailing. **Entire Agreement.** Any terms and conditions in a purchase order or other similar document issued by the Customer in relation to the purchase, licensing or provisioning of any Equipment or related services that are different from or in addition to those in this Agreement are not binding on and are rejected by Clearpath Robotics. This Agreement forms the entire agreement between the parties, and supersedes all prior written and oral communications and agreements between the parties concerning the Equipment and any related services. All changes to this Agreement must be agreed to in writing and signed by parties.