



Telephone: 1-604-746-0606
Fax: 1-604-746-0667

Website: www.primapowersys.com
Email: sales@primapowersys.com

INVOICE TERMS AND CONDITIONS

Unless otherwise set forth on the front of this invoice, terms are net cash due 30 days from the date of invoice. Thereafter, interest will be charged at the rate of 1.5% per month, not to exceed the amount legally permissible. No credits shall be issued 10 days past invoice date.

Taxes and Other Charges: In addition to the price quoted for goods sold, Buyer shall pay any tax imposed by federal and or provincial laws. All other reasonable charges for ancillary services and costs, including, but not limited to, forming, galvanizing and other services.

In the event Prima Power Systems, Inc. extended credit to Buyer for the purchase of the goods reflected in this agreement, Buyer hereby grants to Prima Power Systems Inc., a security interest in and to the goods and materials sold and transferred to Buyer under this agreement to secure payment of the original purchase price of such goods.

This invoice shall also be deemed to constitute a security agreement. Buyer authorizes Prima Power Systems, Inc., at its option, to sign and file a financing statement. Financial Responsibility: Reasonable doubt on the part of Prima Power Systems, Inc. concerning the financial responsibility of Buyer shall entitle Prima Power Systems, Inc. to stop operation, decline shipment, or stop any goods in transit without liability until the goods have been paid for or until Buyer provides Prima Power Systems, Inc. reasonably satisfactory proof, to be determined by Prima Power Systems, Inc., of Buyer's financial responsibility. The terms of Prima Power Systems, Inc. Standard Credit Terms and Collection Policy dated January 1 2013, will apply to all transactions.

Attorney's Fees: If any default is made in payment of amounts due for the sale of goods hereunder, Buyer agrees to pay Prima Power Systems, Inc. reasonable cost of collection, including a reasonable attorney's fee, not to exceed the amount allowed by any applicable statute. In case of such default, if Buyer is a corporation or other limited liability entity, the Buyer's presiding officer(s) shall be deemed to have personally guaranteed this invoice.

Prima Power Systems, Inc. shall not be responsible for delays in or failure of delivery resulting from causes or conditions beyond the control of Prima Power Systems, Inc. including, but not limited to: disputes, fires, floods or other casualties, public disturbances, government regulations, transportation delays, or material shortages; Prima Power Systems, Inc. shall not be responsible for loss or damage of goods in transit. In no event shall any delay on the part of Prima Power Systems, Inc., whether fault of Prima Power Systems, Inc. or other, have any liability for consequential or incidental damages, including, but not limited to, loss of profits, loss of time, loss of production, increased overhead, loss of business opportunity, delays in production, costs of replacement components, increased cost of operation, increased cost of construction, damage to goodwill, inconvenience or other commercial or economic loss. Buyer agrees to indemnify and hold Prima Power Systems, Inc. harmless from all claims by third parties.

No returns will be allowed without written authorization from the Credit Department. All claims for defective goods, errors, or shortages in goods delivered by Prima Power Systems, Inc. must be made in writing within 10 days from receipt of the goods. All returns and cancellations authorized by Prima Power Systems, Inc. are subject to a restocking charge. Parts, Automatic Transfer Switches, and PTO and Generator sales will incur a 40 % restocking fee if cancelled or returned. Generator Set cancellations within 15 days of purchase order date will incur a 15% cancellation fee. Generator Set cancellations within 30 days of purchase order date will incur a 30% cancellation fee. Generator Set cancellations beyond 30 days of purchase order date will incur a 50% cancellation fee. Prima Power Systems, Inc. maintains the right to require completion of the purchase order and full payment within terms on cancellations more than 30 business days from purchase order date. Prima Power Systems, Inc. Credit Department has authorization to waive any return or cancellation fees.

PRIMA POWER SYSTEMS, INC., or Generator Manufacturer LIMITED WARRANTY APPLIES TO ENGINE GENERATOR SETS SOLD TO BUYER of any NEW product only. PRIMA POWER SYSTEMS, INC. HEREBY DISCLAIMS ANY AND ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO THE IMPLIED WARRANTY OF MERCHANTABILITY AND THE WARRANTY OF FITNESS FOR PARTICULAR PURPOSE. Prima Power Systems, Inc. liability on any claim, whether in tort or in contract and whether on account of Prima Power Systems, Inc. delivery of non-conforming goods or non-delivery, shall be limited to repair or replacement of the defective or non-conforming goods or repayment of the purchase price, as Prima Power Systems, Inc. may in its sole discretion elect. Buyer agrees to indemnify and hold Prima Power Systems, Inc. harmless from all claims by third parties which extend beyond the foregoing limitations on Prima Power Systems, Inc. liability.



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Any description of the goods or services contained on Prima Power Systems, Inc. sale forms or any other correspondence is for the sole purpose of identifying it, is not part of the basis of the bargain and does not constitute a warranty that the good or service shall conform to that description. The use of any sample in connection with sale is for illustrative purposes only, is not part of the basis for of the bargain and is not intended to be construed as a warranty that the goods will conform to the sample. Any affirmation of fact or promise made by Prima Power Systems, Inc. is not part of the basis of the bargain and shall not constitute a warranty that the goods will conform to the affirmation or promise.

Buyer acknowledges that Prima Power Systems, Inc. is a distributor for Blue Star Power Systems Inc., who are an assembler, and not an original manufacturer of some of the products sold under this agreement. ORAL STATEMENTS MADE BY PRIMA POWER SYSTEMS, Inc. EMPLOYEES OR AGENTS DO NOT CONSTITUTE WARRANTIES and shall not be relied upon by the Buyer and are not a part of the contract for sale. Neither any failure nor any delay on the part of the Prima Power Systems, Inc. in exercising any rights under this invoice shall operate as a waiver of any of Prima Power Systems, Inc. rights hereunder. Any clause required to be included in a contract of this type by any applicable law or governmental regulation shall be deemed to be incorporated herein.

Entire Agreement. This writing constitutes the entire expression of the parties' agreement and is a complete and exclusive statement of the terms of the agreement. The substantive law of the Province of British Columbia shall control any action premised upon this contract of sale, including, but not limited to, interpretation, performance or breach of contract. In the event any provision contained in this agreement shall be deemed in violation of applicable law, such provision shall be given no force and effect; provided, however, the balance of this sales contract will remain in full force. This agreement shall be deemed made and executed in Abbotsford, British Columbia, Canada; and venue for any legal proceedings herein shall be in Abbotsford, British Columbia, Canada.

Effective November 1, 2012

Invoicing: All units will be invoiced upon completion. Any other arrangements for payment must be made in advance with the Credit Department prior to placement of order. Please remember by accepting these terms with Prima Power Systems Inc. you are granting a priority security interest in and to the goods and materials sold and transferred. All invoiced goods are subject to Prima Power Systems Inc. security interest. Neither any failure nor any delay on the part of Prima Power Systems Inc. shall operate as a waiver of any of Prima Power Systems Inc. rights.

Storage: Prima Power Systems Inc. will hold and store your unit for a period of 30 days following completion / invoice date. After the 30 day period Prima Power Systems Inc. Will charge a fee of \$450.00 dollars per month payable in full the first day thereafter and on the same day of each month thereafter. Prima Power Systems Inc. will not be responsible for any weathering of the unit. All units are likely to be stored outdoors.

Shipping: If a customer / distributor arranges freight for their own unit(s) the following guidelines must be met:

- All carriers must meet scheduled pick-up time. Additional charges may apply if time is not met.
- Please provide your freight company clear directions to the Prima Power Systems Inc, or original manufacturing facility.
- All carriers will be required to provide proof of insurance greater than or equal to 125% percent of the load value. Shipments will not be released without written proof of insurance.

Please note it is standard policy to shrink wrap and skid all units before shipment. In the event damage occurs during shipment, Prima Power Systems Inc. will not warrant any damage to the unit resulting from the wrap or skid. All shipments are F.O.B. original equipment manufacturing facility or Prima Power Systems Inc.

Returns & Cancellations: No returns will be allowed without written authorization from the Credit Department. All claims for defective goods, errors, or shortages in goods delivered by Prima Power Systems Inc. must be made in writing within 10 days from receipt of the goods. All returns and cancellations authorized by Prima Power Systems Inc. are subject to a restocking charge. Parts, Automatic Transfer Switches, and PTO sales will incur a 40% restocking fee if cancelled or returned. Generator Set cancellations within 15 days of purchase order date will incur a 15% cancellation fee. Generator Set cancellations within 30 days of purchase order date will incur a 30% cancellation fee. Generator Set cancellations beyond 30 days of purchase order date will incur a 40% cancellation fee. Prima Power Systems Inc. maintains the right to require completion of the purchase order and full payment within terms on cancellations more than 30 business days from purchase order date. Prima Power Systems Inc. Credit Department has authorization to waive any return or cancellation fees.