

## CANADA PIPE COMPANY

### LIMITED WARRANTY

Canada Pipe Company (“Seller”) warrants that Goods will be of the kind described in the order and free from defects in material and workmanship under conditions of normal use for a period of **one (1) year** from the date of shipment, provided the Goods are installed according to AWWA C600 and applicable codes. Seller reserves the right to make any modifications required by production conditions to information set forth in Seller’s catalogues and advertising literature. Seller will not be liable or responsible for (A) any defects attributed to normal wear and tear, erosion or corrosion, improper storage, use, or maintenance, or use of Goods with incompatible products, or (B) defects in any part of Goods manufactured by others. If (B) above is applicable, Seller will, as an accommodation to Buyer, assign to Buyer any warranties given to it by any such other manufacturers; provided, however, that the foregoing will not extend Seller’s warranty to any accessory products unless Seller specifically agrees in writing. All warranties are void if Goods are modified or used in conjunction with products or accessories not manufactured or approved by Seller or which are incompatible with Goods or if the Goods are not installed or maintained according to applicable codes and Seller’s instructions. This warranty does not cover failure of any part manufactured by others, failure of any part from external forces, including but not limited to corrosive soils, earthquake, installation, vandalism, vehicular or other impact, application of excessive torque to the operating mechanism, frost heave, or other Force Majeure.

Any claim by Buyer with reference to Goods for any cause will be deemed waived by Buyer unless submitted to Seller in writing within ten (10) calendar days from the date Buyer discovered, or should have discovered, any claimed breach. Buyer will give Seller an opportunity to investigate. If Buyer gives prompt notice to Seller of any defect and an opportunity to inspect the alleged defect as provided above, Seller will, in its sole discretion, either: (i) repair the defective or nonconforming Goods; (ii) replace nonconforming Goods, or part thereof, which are sent to Seller by Buyer within sixty (60) calendar days after receipt of the Goods at Buyer’s plant or storage facilities; or (iii) if Seller is unable or chooses not to repair or replace, return the purchase price paid and cancel any obligation to pay unpaid portions of the purchase price of nonconforming Goods. In no event will any obligation to pay or refund exceed the purchase price paid. Repair and/or replacement as provided above will be shipped EXW (Ex-Works) Seller’s facility (Incoterms® 2020) unless otherwise agreed in writing by Seller. Buyer will prepay all transportation charges for return of all or part of Goods to Seller, unless otherwise agreed in writing by Seller. Seller will not be responsible for any labour, removal, or installation charges that may result from repair and/or replacement of any Goods. Buyer’s exclusive remedy and Seller’s sole liability for any loss, damage, injury, or expense of any kind arising from manufacture, delivery, sale, installation, use, or shipment of Goods will be, at Seller’s option, the remedies described above, whether based on contract, warranty, tort, or any other basis of recovery.

If any claim is made against Buyer based on a claim that any Goods constitute an infringement of any intellectual property rights of a third party, including Canadian-issued patents and registered industrial designs (collectively “IP Rights”), Buyer will notify Seller immediately. Seller may, with Buyer’s assistance, if required, but at Seller’s expense, conduct settlement negotiations or defense of any litigation. If any Goods are held to infringe any IP Rights, and their use is enjoined, or, if as a result of a settlement, Seller deems their continued use inadvisable and provided that Buyer has given Seller the immediate notice required above and has used Goods only in accordance with the provisions of this Agreement and has not altered or changed them in any material way, Seller will, at its option and expense, procure for Buyer the right to continue using Goods, modify Goods so that they become non-infringing, replace Goods with non-infringing Goods of substantially equal quality, or accept Goods for return and refund the purchase price, less reasonable depreciation. The above is intended as a complete allocation of risks between the parties, including without limitation liability for infringement of IP Rights. Buyer understands that its rights to bring claims against Seller and its ability to recover damages under this Agreement are limited by Section 8 of the Terms and Conditions of Sale.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED BY LAW OR STATUTE OR ARISING FROM TRADE USAGE OR COURSE OF DEALING. THERE IS NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT, WHETHER AS A RESULT OF BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), OR STRICT LIABILITY, WILL SELLER BE LIABLE FOR ANY PUNITIVE, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFIT, LOSS OF USE OF GOODS OR OTHER PROPERTY OR EQUIPMENT, DAMAGE TO OTHER PROPERTY, COST OF CAPITAL, COST OF SUBSTITUTE GOODS, DOWNTIME, OR CLAIMS OF BUYER’S CUSTOMERS FOR ANY OF THE AFORESAID DAMAGES (COLLECTIVELY “CONSEQUENTIAL DAMAGES”), EVEN IF BUYER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. BUYER UNDERSTANDS THAT IT WILL NOT BE ABLE TO RECOVER CONSEQUENTIAL DAMAGES EVEN THOUGH IT MAY SUFFER SUCH DAMAGES IN SUBSTANTIAL AMOUNTS. SELLER WILL NOT BE LIABLE, AND BUYER AGREES TO INDEMNIFY SELLER, FOR ALL PERSONAL INJURY, PROPERTY DAMAGE, AND OTHER LIABILITY RESULTING IN WHOLE OR PART FROM BUYER’S NEGLIGENCE OR WILLFUL MISCONDUCT. PURSUANT TO SECTION 22(5) OF THE LIMITATIONS ACT (ONTARIO), THE PARTIES AGREE THAT THE LIMITATION PERIOD PROVIDED FOR IN THE LIMITATIONS ACT (ONTARIO) (ALLOWING PROCEEDINGS BASED ON CLAIMS MADE UP TO THE FIFTEENTH ANNIVERSARY OF THE DAY ON WHICH THE ACT OR OMISSION ON WHICH THE CLAIM IS BASED TOOK PLACE) IS

SHORTENED TO THE EFFECT THAT (i) SELLER WILL NOT BE LIABLE FOR ANY CLAIM BY BUYER WITH REFERENCE TO GOODS FOR ANY CAUSE UNLESS SUBMITTED TO SELLER IN WRITING WITHIN TEN (10) DAYS FROM THE DATE BUYER DISCOVERED, OR SHOULD HAVE DISCOVERED, ANY CLAIMED BREACH AND, (ii) EXCEPT AS PROVIDED IN THIS STATEMENT, NO CLAIMS OF ANY KIND, WHETHER BASED ON CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, MAY BE BROUGHT AGAINST SELLER MORE THAN SIX (6) YEARS AFTER DELIVERY OF GOODS TO BUYER. In any contract by Buyer for resale of Goods, Buyer will effectively disclaim, as against Seller, any implied warranty of merchantability and all liability for property damage or personal injury resulting from handling, possession, or use of Goods, and will exclude, as against Seller, any liability for Consequential Damages.