

TERMS AND CONDITIONS OF SALE

1. Agreement – These terms and conditions of sale apply to all written agreement(s) or riders which may exist now or in the future between the Customer and Innovair Industrial Limited, Medigas Manitoba Limited, Innovair Medical Limited and Innovair Automation together with their respective employees, agents, suppliers and contractors (herein collectively, the "Distributor") for the lease or purchase of products and services ("Products"). The other written agreement(s), if any, together with these terms, are referred to collectively herein as the "Agreement". If there is any ambiguity or conflict in interpreting the terms of the Agreement, the terms set out below shall govern, except to the extent the other written terms are explicitly stated to be in priority to these terms.
2. Purchase of Products – The Distributor agrees to sell and the Customer agrees to buy the Products described on the face of the picking ticket or invoice, at the prices set out in the Agreement or on the face of the picking ticket or invoice plus all applicable charges and fees. Within seven days of receipt, the Customer may return stock items (excluding bulk gases and medical oxygen) that are unused and in their original packaging for credit to be used for future purchases.
3. Payment – Full payment is due upon receipt of the Products by the Customer, without deduction or set off of any kind. Payments from the Customer will be applied to charges in the following order: interest charges, service charges, and charges for Products and/or lease or rental, from earliest to most recent.
4. Leased, Rented or Customer Owned Cylinders and/or Other Equipment – If the Customer owns equipment, prior to the Distributor's first filling and at the Distributor's request any time thereafter, the Customer agrees to provide the Distributor with proof of ownership. The Customer agrees to ensure that its owned equipment delivered to the Distributor for filling is clean, uncontaminated and in good repair, with all valves tightly closed. The Distributor may refuse to fill any equipment at its sole and absolute discretion. If the Customer leases or rents equipment from the Distributor, the following provisions apply:
 - a. Lease or Rent: The Distributor agrees to lease or rent the equipment (the "Leased Equipment") to the Customer for the term set out in the Agreement. The Customer agrees to pay the required payments when due, without deduction or set off of any kind. If the Leased Equipment is subject to a monthly rental, the Distributor may increase the required monthly payments effective on the next invoice date with notice to the Customer. The Customer acknowledges that the Distributor owns the Leased Equipment and the Customer has no ownership interest in the Leased Equipment. If the Customer breaches any provision of the Agreement, the Distributor may terminate the lease or rental of the Leased Equipment and demand its immediate return. Upon the termination or expiry of the lease or rental, the Customer agrees to immediately return all Leased Equipment in a condition which is clean, uncontaminated and in good repair. The Customer will not be entitled to any refund or reduction of payments in respect of any unexpired term.
 - b. Use and Care: The Customer shall be responsible for the Leased Equipment. Without limitation, the Customer agrees to ensure that the Leased Equipment is kept clean and uncontaminated and in good repair, that the Leased Equipment is not damaged by arc burns, that the surface of the cylinders remains free from oil, and that the valves are not damaged. The Customer agrees the Leased Equipment will at all times be kept within its possession and control. The Customer shall not permit any person other than the Distributor or its authorized suppliers to fill the cylinders. The Customer will not lend or transfer possession of the Leased Equipment to any person. If any Leased Equipment becomes lost or damaged, the Customer agrees to notify the Distributor and will pay on demand the cost of replacing or repairing the Leased Equipment, without limiting any other rights and remedies available to the Distributor.
 - c. Lease or Rental Extension: If the Customer fails to return any Leased Equipment, the Distributor may (but shall not be required to) extend the lease or rental term for the Leased Equipment for periods equal to the original term or one year (at the Distributor's sole and absolute discretion). In that event, the Customer agrees to continue making the payments in respect of any such extensions.
5. Warranty – The Products and/or Leased Equipment, as described herein, are warranted against defects in material under the normal uses and service for which same are designed. The Distributor's obligation under any warranty hereunder is expressly limited to the replacement or repair of any Products and/or Leased Equipment determined by the Distributor, in its sole discretion, to be defective, and the Distributor may, in its sole option, in lieu of replacement, return an amount equivalent to the purchase price to the Customer. The Distributor shall have no liability for any special, indirect or consequential damages whether from loss of production or otherwise, arising from any such product determined to be defective.
6. Safety and Transportation - The Customer acknowledges that it is responsible to obtain a safety data sheet ("SDS"), if applicable, with respect to each type of Product purchased and acknowledges that there are hazards associated with the Products and cylinders. The Customer assumes all responsibility and liability for informing, warning and training its employees, agents and independent contractors with respect to: all hazards disclosed in the SDS, if applicable; all hazards of which it may become aware; and all hazards which may in the future be disclosed to the Customer or its employees, agents or independent contractors. The Customer also acknowledges that transportation of the Products and cylinders can be hazardous, and the Customer agrees to take all reasonable and necessary precautions in the transportation of the Products and cylinders, including compliance with all applicable laws and regulations. For the greatest of certainty, the terms hereof are subject to the provisions of paragraph 9 regarding limitations of liability.
7. Late Payment – The Customer agrees to pay the Distributor interest at the rate of 18% per annum on any outstanding balance for Product purchases, lease or rental of Leased Equipment, or otherwise. If account reaches 60 days past due or exceeds credit limit; account is subject to suspension without notice. If a cheque or payment of the Customer is refused or returned unpaid for any reason, the Customer agrees to pay a \$25 service charge on each such occasion.
8. Remedies for Default – If the Customer fails to make any payment when due, fails to perform any obligation, or breaches any covenant of the Agreement, is subject to a proceeding in bankruptcy, receivership (including court appointed and privately appointed receivers), insolvency, reorganization, or winding up, becomes subject to an execution or any process of any Court or distress or analogous process, makes a general assignment for the benefit of creditors, makes or attempts to make any bulk

sale, or ceases to carry on business, then all amounts due or to become due to the Distributor shall become immediately due and payable without notice and the Distributor may take immediate possession of the Products and/or Leased Equipment without demand or other notice and without legal process. Without limiting the generality of the foregoing, the Distributor may collect all debts, accounts, monies and choses in action which may be due or accruing due by the Customer respecting the Products and/or Leased Equipment. For the purpose of removal of the Products and/or Leased Equipment, the Distributor may enter the premises of the Customer and remove same without notice, without judicial process and without being considered guilty of trespass or becoming liable or responsible for any injury to persons or damage to property, and the Customer hereby releases the Distributor from any claims incurred as a result of such removal. The Customer agrees to pay on demand all costs incurred by the Distributor to enforce its rights, recover the Products and/or Leased Equipment or collect amounts due, including all legal costs on a solicitor and client basis.

9. Limitation of Liability and Indemnity – The Customer agrees to indemnify and hold harmless the Distributor from and against any and all loss, claims, actions, damages and demands of any nature whatsoever (including legal fees and expenses), including the loss or damage to property or injury to persons, including death, at any time caused by or contributed to directly, or indirectly, by the presence, use, transportation or recovery of any Products or Leased Equipment, except any such loss or damage directly resulting from the negligence of the Distributor. No claim of the Purchaser against the Distributor or its employees, agents, suppliers or contractors whether based on negligence, trespass or damage to property or persons, breach of agreement, warranty or condition or otherwise shall exceed the amount paid for the Products and/or Leased Equipment delivered hereunder and remaining in the Customer's possession. The Customer agrees that the Distributor will not be liable to the Customer for any special, indirect or consequential damages, however caused. No representations, conditions or warranties, express or implied, statutory or otherwise, shall apply with respect to the purchase or sale of Products or rental or lease of the Leased Equipment including, without limitation, any representation, condition or warranty as to merchantability, quality or fitness of same for a particular purpose. This provision shall survive the expiry or termination of the Agreement.

10. Other Provisions – The Agreement is governed by the laws of the province of Manitoba. The Customer and the Distributor hereby agree that the Courts of Manitoba shall have exclusive jurisdiction to hear and determine any dispute arising from or related to the Agreement or its enforcement. Any provision of the Agreement prohibited or rendered unenforceable by any applicable law, by-law or regulation of any municipality, province or federal government shall be ineffective or reduced in scope only to the extent necessary, without invalidating or affecting the remaining provisions of the Agreement. The Agreement is subject to delays and non-delivery caused by strikes, riots, wars, fires, acts of God, accidents, government orders or regulations, curtailment of or failure in obtaining suitable raw materials and any other contingencies beyond the reasonable control of either party.

11. Assignment - The Customer may not assign the Agreement or any of its rights hereunder, directly or indirectly, in whole or in part, without prior written consent of the Distributor. The Agreement is binding upon and shall ensure to the benefit of the Customer and the Distributor and their respective heirs, executors, successors and permitted assigns.

12. Privacy Statement

DECLARATIONS

Personal information collected by the Distributor pursuant to the Agreement shall be used and disclosed in accordance with the Distributor's Privacy Code for the following purposes:

- a. To enable the Distributor to establish and maintain a relationship with the Customer and to provide the Customer with the Distributor's services;
- b. Where applicable, to evaluate the Customer's credit standing and to share or exchange reports and information with credit reporting agencies;
- c. Where applicable, to administer billing and accounting services and to maintain security measures in relation to the Customer's business with the Distributor;
- d. Where applicable, to establish and maintain equipment/product rentals, leases and other related services with the Customer;
- e. Where applicable, to enable the Distributor to liaise with other service and product providers to provide the Customer with services suited to the Customer's needs and requirements;
- f. To detect and prevent fraud, and to safeguard the interests of the Customer and the Distributor;
- g. With respect to the Distributor's business needs, to maintain adequate accounting and tax records, to assess the quality and quantity of the Distributor's performance, and to have the information in a form that the Distributor can sell or lease to a third party that wishes to purchase the Distributor's business in whole or in part;
- h. To meet legal and regulatory requirements;
- i. Where applicable, to exchange the Customer's information with benefit providers to determine eligibility and to administer and collect billings;
- j. Where applicable, to enable the Distributor to provide the Customer with the necessary medical equipment or supplies, together with the appropriate settings to meet the Customer's needs; and
- k. Where applicable, to enable the Distributor to liaise with 'Trustees' as defined in The Personal Health Information Act (Manitoba) with respect to the Customer's health care and to share or exchange the Customer's information with such trustees as reasonably required.

ACKNOWLEDGEMENT

Acceptance of the Products and/or Leased Equipment shall be deemed to be conclusive proof that the Customer has read and understands these terms and conditions and agrees to be bound by them. The Customer hereby authorizes the Distributor to use the provided contact information and if applicable, credit information to investigate the credit of the Customer and to determine if credit should be extended and to use and disclose contact information provided for the purposes identified in the above section. The Customer authorizes the Distributor to make any investigations it deems necessary to verify the information provided by the Customer whether now or in the future.