

Benchmark Reliability Services, Inc.

233 MacCormack Rd Martensville, SK SOK 0A2

Ph: 306.551.8909 www.bmreliability.ca

BENCHMARK RELIABILITY STANDARD SERVICE TERMS

SCOPE OF SERVICES

Supplier (as defined at the end of this document) will only perform those services specifically agreed to in writing and will not be responsible for any matters beyond the agreed-upon, written Scope of Work ("SOW"). Any descriptions, statements, comments or expressions made reflect the opinion or observations of Supplier's employees based solely upon data available at the time and are not intended, nor can they be construed, as representations or warranties as to the actual circumstances. Supplier' responsibilities will be limited to providing labor and equipment qualified to provide the services set forth in the applicable SOW utilizing the procedure(s) and acceptance criteria specified by its client ("Client") and specifically set forth in the SOW. Client and/or the owner-operator shall at all times remain responsible for all engineering, repair, modification and use decisions, including without limitation, decisions such as what to install, inspect or repair, the frequency of inspections or repairs, the techniques or methods to be used, the procedures, codes and acceptance criteria to be followed, whether additional Quality Assurance enhancements offered by Supplier (such as a dedicated Site Supervisor) will be provided, and the final disposition of all assets (such as welds) installed, inspected or repaired by Supplier. Client is responsible for inspecting Supplier's work product (such as inspection reports and assets that Supplier installed, repaired, painted, fabricated or otherwise worked on) when it is made available to Client and notifying Supplier of any potential issues within fifteen (15) business days thereafter. Unless Client has contracted with Supplier to provide a dedicated Site Supervisor at Client's cost, Client acknowledges that day-to-day direction of Supplier's employees shall be provided by Client and/or the owner-operator. It is understood that Supplier is an independent contractor and not an employee or agent of Client. The results of Supplier's services shall be used only for Client's internal purposes. Test reports shall not be reproduced by Client except in full and may not be reproduced without the written approval of Supplier. Test results are limited to the specific items tested.

STANDARD OF CARE

Supplier shall perform its services within a reasonable standard of care or skill consistent with applicable industry standards. No other warranty, expressed or implied, is made or intended by Supplier, and all other warranties are expressly disclaimed. In the event of any breach of this warranty,

Supplier's sole and exclusive obligation will be to correct or re-perform the deficient service or, at Supplier's option, to refund the amount paid for the deficient service. Warranty claims must be asserted within the lesser of

fifteen (15) business days after receipt of Supplier's work product or five (5) business days after the purported

deficiency was or could have been detected by Client.



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LIMITATIONS OF LIABILITY

Supplier does not assume any liability or responsibility for losses or damages, such as personal industries and property damage, except and only to the extent directly caused by the willful or negligent misconduct of Supplier in the course of performing the requested services. In no event shall

Supplier's aggregate liability for any reason, in connection with any claim asserted, exceed the amount paid for the

services in question. Supplier shall not be held responsible or liable for any loss, damage or delay caused

by accidents, strikes, fires, floods or other circumstances or causes beyond its control, including actions taken or not taken by Client or other third parties. In no event shall Supplier be liable for indirect, incidental, special, punitive or consequential damages including, without limitation, damages relating to reputation, lost business opportunities, lost profits, goodwill, production downtime, overhead expenses, loss of use, business interruption, data loss or other economic loss.

PAYMENT

Pricing is based on Supplier's standard service techniques and protocols unless otherwise specifically stated.

Any request for non-standard techniques or protocols in performing the services must be identified by Client

and accepted by Supplier in writing prior to commencement. All pricing is rate-based (as opposed to cost-plus) and labor rates are all-inclusive and will be invoiced only based on hours used. Unless otherwise agreed to in writing, payment in full shall be made within 30 days of the date of invoice, and thereafter a late charge of 12% at an annualized rate on outstanding accounts may be Charged. Supplier reserves the right to charge for any extra time or costs that are incurred as a result of delays, cancellations, or postponements

result from delays, delays or postponements resulting from Client's instructions, lack of instructions or mistakes for which Supplier is not responsible. Payment for services or failure to identify any deficiencies in Supplier's work product within fifteen (15) business days after receipt of the work product

shall constitute acceptance by Client of Supplier's work and agreement that Supplier met all applicable contractual requirements.

USE OF SUPPLIER'S INTELLECTUAL PROPERTY

Supplier's intellectual property, including software, designs, methodologies and processes ("IP") shall not be copied, transferred, licensed or used by anyone other than Client and only in connection with Supplier performing its services. Client shall not, and shall not permit anyone else to, reverse engineer, decompile, or disassemble the IP, or use the IP in any way to replicate or develop similar IP.



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EXCLUSIVE TERMS; MODIFICATION; CHOICE OF LAW

These Service Terms shall govern any and all services or products provided by Supplier to Client. Supplier rejects any additional, different, or inconsistent terms or conditions contained in any form, acknowledgment, acceptance, or confirmation used by Client. No terms or conditions delivered with or contained in any request for services, purchase order or any other document received from Client shall alter these Service Terms. Any purported variation of these Service Terms shall have no effect unless expressly agreed to in writing and signed by an authorized representative of Supplier. The provisions of these Service Terms are severable and in the event any provision is held to be unenforceable, the remaining provisions will continue in full force and effect. Should any type of dispute arise, these Service Terms shall be governed by and construed in accordance with the laws of the location where the services in question were performed without regard to conflict of law principles.

ADDITIONAL TERMS FOR CONDITION MONITORING AND RELIABILITY WORK

Any reports, maintenance plans, analysis data and other written materials or statements provided by any employee of Supplier ("Information") are intended for use by or under the supervision of a Professional Engineer (P. Eng.) employed by Client and/or retained by Client from another vendor. Client warrants that it has a Professional Engineer or responsible lead on its staff who will review the information and make all repair, replace and other suggested engineering decisions, including maintenance plans, that it deems appropriate. Client shall at all times be responsible for making all final decisions regarding all routes, techniques, frequency of inspections, equipment taxonomy, codes, standards, procedures, criteria, severity ratings, root causes, and solutions to prevent or correct failures or other problems with Client's equipment. Supplier shall not assume any such responsibility, but absent direction from Client, Supplier will endeavor to make reasonable selections but shall not warrant to Client that it will select the correct ones. The Information is intended to summarize the gathered and processed data, which is intended to supplement condition data already available to Client. The Information is not intended to and shall not provide any judgment as to the safety or integrity of the equipment or components monitored by Supplier, or to diagnose any condition of the equipment or components, including the likelihood or timing of a possible failure. Client shall at all times be responsible for making final decisions regarding maintenance plans. Any statements, recommendations, proposals or materials prepared by employees of Supplier are recommendations only and shall be subject to final approval and implementation by Client. Where Supplier receives analysis reports and/or data from third party laboratories. Supplier can offer its interpretation of such reports/data subject to final interpretations and decisions by Client, but cannot attest to the accuracy of such reports/data. Location selection and calculation of alarm levels by Supplier shall be done pursuant to the codes selected by Client. If Client has concerns regarding the Information, Client agrees to consult with a Professional Engineer or educated subject matter expert employed by Client or a contractor other than Supplier.