

DISTRIBUTORSHIP AGREEMENT

Between

DELTA CONTROLS INC.

and

[ENTER PARTNER NAME]

Date: **[MONTH, DAY, YEAR]**

This agreement is entered into as of Date (Month/Day/Year), by and between Delta Controls Inc. ("Delta Controls"), with principal corporate offices at 17850 56th Avenue, Surrey, BC, V3S 1C7, Canada, telephone no. 604.574.9444 facsimile no. 604.574.7630 and Distributor Name ("Distributor").

Proprietorship Partnership Corporation

located at Address/City/Prov/PostCode/Country.

Telephone Number: (xxx) xxx-xxxx

Facsimile Number: (xxx) xxx-xxxx

1. DISTRIBUTORSHIP

- 1.1 Subject to the terms and conditions hereof, Delta Controls grants to the Distributor the right to purchase from Delta Controls for resale within the territory described in Schedule A (the "Territory") the products, (including accessories and/or service parts for such products) manufactured by Delta Controls as set out in the product and price list (collectively, the "Products").
- 1.2 Execution of this Agreement is not intended to, and shall not be construed to, create or constitute a franchise, joint venture, partnership, or other joint business relationship between Delta Controls and Distributor or among the other distributors and Distributor expressly acknowledges and agrees that the use of the term "Partner" or "Partnership" is for convenience only and is not an indication of a legal partnership between Delta Controls and Distributor. Additionally, Delta Controls and Distributor expressly acknowledge and agree that the use of the trademarks and logos as specified herein do not form a franchise relationship.
- 1.3 Upon execution of this Agreement, the Delta Controls Partner will immediately place a minimum initial order for the Products specified in Schedule C, which Products are to be used by the Delta Controls Partner for demonstration purposes. Thereafter, the Delta Controls Partner will provide Delta Controls with forecasts of its requirements for Products on a periodic basis or upon request by Delta Controls and will use all reasonable efforts to place orders for Products on a regular and consistent basis, in order to assist Delta Controls in scheduling its production and providing timely shipments to the Delta Controls Partner.
- 1.4 The Delta Controls Partner's rights contained herein will be limited as follows:
 - (a) Delta Controls will have the right to sell directly, or through other distributors, Products to original equipment manufacturers who incorporate or attach Products into or to their own products;
 - (b) Delta Controls will have the right to sell directly, or through other distributors, Products to National Account Customers (as defined in Schedule A) within the Territory. A current listing of National Account Customers is set out in Schedule E; and
 - (c) Delta Controls will have the right to sell directly, or through other distributors, products and parts to wholesalers within the territory; and
 - (d) the Delta Controls Partner shall not purchase Delta Controls Products for resale or installation for any industrial related application not controlling HVAC systems without the prior written consent of Delta Controls.

2. DELIVERY AND DELAYS

- 2.1 Delta Controls will be allowed approximately 4 to 6 weeks lead time between receipt of firm orders from the Delta Controls Partner and the shipment of orders. The actual lead time for a specific order shall be confirmed at the time the order is placed.
- 2.2 Although Delta Controls will make every reasonable effort to deliver by the dates requested by the Delta Controls Partner, and within the stated lead times, Delta Controls does not guarantee that it will be able to do so. Further, Delta Controls shall have the right to delay delivery if strike, fire, act of God, unavailability of materials, or any other circumstances not within the reasonable control of Delta Controls which prevents delivery in the normal course of business. The date of delivery will be extended by a period equal to the time lost because of delay.
- 2.3 Delta Controls will arrange for shipment of all orders. Sales and shipment shall be EXW Surrey, BC, unless the Delta Controls Partner is located in the United States of America, in which case, sales and shipment shall be FCA Surrey, BC. Title to (except with respect to any and all intellectual property rights in and to any Products) and all risk of delay in shipment, loss or damage for any Products will pass to the Delta Controls Partner upon delivery by Delta Controls of Products to the carrier. The Delta Controls Partner will pay all loading and freight charges and all Taxes (as defined in Section 4.4 of this Agreement). Delta Controls will only use carriers who agree to directly invoice the Delta Controls Partner or any consignee or third party designated by the Delta Controls Partner. In the event that the Delta Controls

Partner requests shipment by special carrier, the Delta Controls Partner will be invoiced by Delta Controls for shipping charges.

- 2.4 If the Delta Controls Partner wishes Delta Controls to insure a particular shipment, the Delta Controls Partner will include instructions for insurance at the time the order is submitted to Delta Controls. Delta Controls will invoice the Delta Controls Partner for the insurance costs. The Delta Controls Partner shall be responsible for submitting and pursuing any and all insurance claims.
- 2.5 Delta Controls will use its best efforts to expedite delivery of Products upon the Delta Controls Partner's request, but cannot guarantee that such a service will be available at the time of request. The Delta Controls Partner will pay Delta Controls' direct costs in expediting any such delivery, such as handling or shipping charges, and Delta Controls will invoice the Delta Controls Partner for all such costs.

3. PRICES, DISCOUNTS AND TERMS OF SALE

- 3.1 Prices to the Delta Controls Partner shall be at Delta Controls' list prices as in effect at time of order (except where the time of delivery is anticipated to be more than sixty (60) days from the date of the order, in which case the applicable prices shall be those in effect at time of shipment), less the applicable discount as may be set forth by Delta Controls in Schedule A. Payments by the Delta Controls Partner for all Products will be made in the currency designated in Schedule A, and all dollar amounts set out or referred to in this Agreement will be deemed to be in the currency so designated. The currency designated in Schedule A may be changed by Delta Controls upon sixty (60) days prior written notice of same to the Delta Controls Partner.
- 3.2 Delta Controls' current Price List for Products is set out in the Delta Controls Online Ordering website (<https://orders.DeltaControlscontrols.com/default.asp>), and Delta Controls may at any time change prices, discounts or other terms of sale affecting Products, by issuing new price schedules, bulletins or other notices. In the event Delta Controls increases the price to the Delta Controls Partner for any Products, the Delta Controls Partner will be given sixty (60) days prior written notice of same from Delta Controls.

4. PAYMENT TERMS AND TAXES

- 4.1 Where Delta Controls has in writing approved the Delta Controls Partner's credit, the standard terms of payment for all Delta Controls invoices to the Delta Controls Partner will be Net Cash thirty (30) days from the date of delivery of Products to the carrier for shipment of same to or to the order of the Delta Controls Partner. In such event, payment will be made in the currency specified in Schedule A by corporate cheque or by bank transfer to a bank designated by Delta Controls. Where the Delta Controls Partner fails to make any payment within the period specified in this Section, Delta Controls may revoke the Delta Controls Partner's credit approval upon notice to the Delta Controls Partner. Thereafter, payment for all Delta Controls invoices will be paid pursuant to Section 4.2 of this Agreement, unless and until Delta Controls provides the Delta Controls Partner with written notice of the reinstatement of credit approval.
- 4.2 Where Delta Controls has not provided written approval of the Delta Controls Partner's credit, or where such approval has been revoked, payment for all Delta Controls invoices to the Delta Controls Partner will be as follows:
- (a) Subject to subsection (b), below, payments are to be made prior to the shipment by Delta Controls of any Products in the currency specified in Schedule A:
- (i) by wire transfer to a Canadian bank and account designated by Delta Controls;
 - (ii) in the case of an order for Products being for a dollar amount in excess of \$10,000, in addition to the payment options set out above, by bank guarantee in the form of an irrevocable letter of credit, drawn on a bank acceptable to Delta Controls, acting reasonably, and to be held at a Canadian bank designated by Delta Controls, for the benefit of Delta Controls; or
- (b) at the Delta Controls Partner's option, the Delta Controls Partner may elect to establish an irrevocable letter of credit (the "Credit L/C") to be drawn on a bank acceptable to Delta Controls, acting reasonably. The Credit L/C is to be held at a Canadian bank designated by Delta Controls, for the benefit of Delta Controls. Where a Credit L/C is so established, Delta Controls will permit the shipment of Products to the Delta Controls Partner up to one and one-half times the Credit L/C amount on a Net Cash thirty (30) day basis. Where Delta Controls does not receive payment from the Delta Controls Partner (by either wire transfer, or corporate cheque drawn on a bank acceptable to Delta Controls) within such period from the date of shipment, or receives incomplete payment therefor, the terms of the Credit L/C will permit Delta Controls to draw on it in respect of all outstanding invoices upon presentation to the bank holding the Credit L/C of any such overdue invoices and of evidence of shipment. Until another Credit L/C is once again established (for a dollar amount acceptable to Delta Controls), all payments thereafter will be made in accordance with the terms of subsection (a), above.

- 4.3 The Delta Controls Partner will have fifteen (15) days from the date of each invoice to submit to Delta Controls, in writing, any objection that the Delta Controls Partner may have concerning the charges appearing on the invoice. Thereafter, the Delta Controls Partner will be considered to have acknowledged the accuracy of the invoice.
- 4.4 Delta Controls' list prices for Products (see Schedule B) do not include sales, use, excise, goods and services, personal property or any other taxes, duties or other imposts (collectively "Taxes") that may be applicable, and all such Taxes applicable to the sale or use of Products thereunder or otherwise applicable to the transactions governed by this Agreement, will be paid by the Delta Controls Partner, or in lieu thereof, the Delta Controls Partner will provide Delta Controls with a tax-exemption certificate acceptable to Delta Controls and the relevant taxing authorities.
- 4.5 On any overdue account, the Delta Controls Partner will pay service charges at the lesser rate of either two percent (2%) per month or the maximum permitted by law. In addition, Delta Controls may suspend deliveries and may either decline orders or decline to apply the Delta Controls Partner's discounts to orders placed while a payment is outstanding.
- 4.6 Every order placed by the Delta Controls Partner will be priced according to Section 3.1 of the Agreement.

5. INFORMATION FURNISHED TO DELTA CONTROLS PARTNER, TRADEMARK MATTERS, AND SOFTWARE LICENSES

- 5.1 The Delta Controls Partner will not divulge or use for its own purposes any Confidential Information (as defined below) except to the extent that Confidential Information must be used in performing the Delta Controls Partner's obligations under this Agreement. In addition, the Delta Controls Partner will take any and all necessary precautions to prevent any disclosure of Confidential Information by any and all of its employees, officers, directors, representatives and agents. The parties agree that all information furnished to or acquired by the Delta Controls Partner in respect of Delta Controls, its business or the Products, except publicly disclosed sales and advertising material, will be deemed as "Confidential Information" under this Agreement. Without limiting the generality of the foregoing, Confidential Information will include, but will not be limited to, information relating to product pricing strategies, Delta Controls' business plans, customer lists, trade secrets, product development plans, and any material or other information designated by Delta Controls as confidential from time to time. Confidential Information will not include any information which was known by the Delta Controls Partner prior to the disclosure of such information from Delta Controls, or information which is generally available to the public other than as a result of a breach by any person of an obligation of confidentiality owed to Delta Controls. The Delta Controls Partner acknowledges that, as between the parties, all right, title and interest in and to all Confidential Information is held by Delta Controls. Upon the expiration or termination of this Agreement, all Confidential Information will be returned to Delta Controls.
- 5.2 The Delta Controls Partner acknowledges and agrees that the trademark DELTA CONTROLS and any and all other trademarks or trade names appearing on or used in connection with any of the Products are the property of Delta Controls and any use by the Delta Controls Partner of any such marks or names whatsoever will accrue solely to the benefit of Delta Controls. No trademark or trade name of Delta Controls may be used upon, or in connection with, any article which may be sold by the Delta Controls Partner but which is not one of the Products. The Delta Controls Partner will not in any way alter, deface, remove, cover up or mutilate in any manner whatsoever, any trademark, serial or model number, symbol, brand or trade name which Delta Controls may attach or affix to or make a part of any of the Products. The Delta Controls Partner will not affix to any Product any additional label, symbol, trademark, brand or trade name, without the prior written approval of Delta Controls.
- 5.3 The Delta Controls Partner agrees not to use as part of its corporate or business name or otherwise, any of Delta Controls' trademarks or trade names, or any other trademark, or trade name so resembling any of them (or any translation of any such trademarks or trade names into any language) so as to be likely to cause confusion, or deception, or in any manner which Delta Controls considers is detrimental or objectionable. The Delta Controls Partner will have the right to identify itself as an authorized distributor of Delta Controls' Products during the term of this Agreement but is granted no license hereunder.
- 5.4 The Delta Controls Partner will grant Delta Controls administrative control (including providing Delta Controls with any password, login, key or other information necessary to exercise control) over any domain name the Delta Controls Partner registers, acquires or licenses that is the same as or confusingly similar to any trademark, trade name or domain name of Delta Controls and will permit Delta Controls to redirect web traffic in respect of the domain name if Delta Controls considers any content objectionable on the website to which the domain name directs.

- 5.5 The Delta Controls Partner's obligations under this Article 5 will survive the termination or expiration of this Agreement.
- 5.6 The Delta Controls Partner acknowledges and agrees that any breach by it of any of its obligations in this Article 5 would result in damages to Delta Controls that could not adequately be compensated by monetary award. Accordingly, in the event of such a breach by the Delta Controls Partner, in addition to all other remedies available to Delta Controls in law or equity, Delta Controls shall be entitled as a matter of right to apply to a court of competent jurisdiction for such relief by restraining order, injunction, decree or otherwise, as may be appropriate to ensure compliance with the provisions of this Article 5 and in protection of Delta Controls' Confidential Information, trademarks, and trade names.
- 5.7 Regardless of any other part of this Agreement, any computer software which is itself a Product or which is contained within any Product (collectively, a "Software Product") and which is ordered by the Delta Controls Partner from Delta Controls will be licensed, but not sold, by Delta Controls to the Delta Controls Partner. The Delta Controls Partner is authorized to sublicense such Software Products to its customers on the terms and conditions set out in Delta Controls' form end user software license agreement (the "End User License"). The present form of the End User License is attached as Schedule D.
- 5.8 The Delta Controls Partner will ensure that a copy of the End User License is given to each customer of a Software Product (and that the terms of such End User License are brought to the attention of each such customer) **prior to** the payment by such customer of any fees for such Software Product. The Delta Controls Partner agrees to complete all "blanks" in the End User License (i.e. with respect to addresses and contact information, and the product name of the relevant Software Product). Delta Controls will have no liability to the Delta Controls Partner or any of its customers with respect to any Software Product other than as expressly provided for in the End User License, except that Delta Controls will indemnify the Delta Controls Partner in respect of any warranties made by the Delta Controls Partner in the End User License. The Delta Controls Partner agrees to consult with Delta Controls in respect of all warranty and/or liability matters arising out of the licensing of any Software Products and agrees to immediately notify Delta Controls in writing in the event that the Delta Controls Partner receives notice of any warranty claim in respect of any Software Product. All or part of the End User License may be revised from time to time by Delta Controls to reflect changes in Delta Controls licensing policies upon thirty (30) days written notice to the Delta Controls Partner.

6. OBLIGATIONS OF THE DELTA CONTROLS PARTNER

- 6.1 While Delta Controls and the Delta Controls Partner agree that they will work together in good faith in the performance of this Agreement and in satisfying customers of the Products, the Delta Controls Partner acknowledges and agrees that notwithstanding any reference to "Delta Controls Partner" it is not at law Delta Controls' partner and the Delta Controls Partner agrees not to represent itself as such or act as such. Further, the Delta Controls Partner will not act as an agent, employee, joint venturer or legal representative of Delta Controls for any purpose whatever, and will have no power or authority to incur or create any obligations or liability of any kind for, or on behalf of, Delta Controls. The Delta Controls Partner will conduct its business as an independent contractor, and all persons employed in the conduct of such business will be employees of the Delta Controls Partner and all costs and obligations incurred by reason of any such employment will be for the account and expense of the Delta Controls Partner.
- 6.2 The Delta Controls Partner will, at its own expense, use its best efforts to market, sell and support the Products in the Territory.
- 6.3 The Delta Controls Partner agrees not to sell or offer for sale any product which competes with any of the Products, including, without limitation, any DDC product which is not a Delta Controls Product with the exception of existing owners extending and servicing existing HVAC DDC systems, unless otherwise noted in Schedule G.
- 6.4 The Delta Controls Partner will not, directly or indirectly, sell any Products to any National Account Customer, as defined in Schedule E, except at Delta Controls' request pursuant to Section 6.5 of this Agreement, or unless the Delta Controls Partner is designated by Delta Controls in writing as a representative for such National Account Customer.
- 6.5 In the event that the Delta Controls Partner is designated as a representative for any National Account Customer, the Delta Controls Partner agrees to use the services of other distributors of Delta Controls (i.e. other "Delta Controls Partners") upon Delta Controls' request, acting reasonably, in supplying, installing, and/or servicing Products for any such customers where any project and/or installation for any such National Account Customer is located outside of the Territory.
- 6.6 The Delta Controls Partner will maintain the facilities and personnel needed to provide, on a timely basis, the information and assistance needed by its customers and prospective customers, consistent with the standards of a competent and efficient distributor of such Products, or as may be more particularly specified from time to time by Delta Controls.
- 6.7 The Delta Controls Partner will achieve, and use best efforts to exceed, the "Minimum and Projected Annual Purchase Quotas for Delta Controls Manufactured Products" set out in Schedule A of this Agreement. The Projected Annual

Purchase Quotas, will be reviewed with the Delta Controls Partner at time of annual agreement renewal and may be adjusted by Delta Controls.

- 6.8 The Delta Controls Partner will enrol suitable representatives of the Delta Controls Partner in the first available technical implementation and service training classes of Delta Controls for all Products that the Delta Controls Partner intends to market and support. The Delta Controls Partner will be responsible for ensuring that its personnel regularly enrol in Delta Controls' implementation and training classes in order to sell, engineer, install and service the Products competently and to achieve and maintain the level of skill and knowledge required by Delta Controls, acting reasonably.
- 6.9 The Delta Controls Partner assumes sole responsibility and liability for the installation and servicing of the Products, subject to Delta Controls' warranty as provided in Section 12 of this Agreement.
- 6.10 Delta Controls believes that cybersecurity is everyone's responsibility. As a Delta Controls Partner, you have the responsibility to protect your business and reputation from harm. To help in the protection from cybersecurity risks, Delta Controls requires that the Delta Controls Partner will:
- a) **Follow Information Security best practices.** Ensure that the Delta Controls Partner and the Delta Controls devices and networks are secured from cybersecurity risks and attacks. Delta Controls Partners may be asked to provide evidence of their cybersecurity practices and information security posture.
 - b) **Respect Intellectual Property.** Do not copy, decompile, modify or reverse engineer any product from Delta Controls.
 - c) **Report cyber security incidents.** Cyber security incidents on Delta Controls Partner systems that involve Delta Controls products need to be reported as soon as possible or within 5 days.
 - d) **Report vulnerabilities.** If a vulnerability in a Delta Controls product or service is discovered by a Delta Controls Partner, they shall immediately report it to Delta Controls. Vulnerabilities can be made public once there is a remediation readily available from Delta Controls.
 - e) **Protect Delta Controls systems.** Delta Controls Partners who are authorized to access Delta Controls company technology may additionally be required to be familiar with relevant Delta Controls policies and procedures. (e.g. Change Management, Acceptable Use Policy, etc.).

Delta Controls monitors devices that are exposed on the internet. Delta Controls may contact Delta Controls Partners or customers to facilitate the securing of said devices.

- 6.11 The Delta Controls Partner will send suitable representatives to the applicable Annual Delta Controls Partner Conference at least once every two years. The Delta Controls Partner will also send suitable representatives to Regional Business meetings as scheduled and as appropriate subject to meeting content.
- 6.12 Other than with respect to any advertising material provided by Delta Controls, the Delta Controls Partner will obtain the prior written approval of Delta Controls for the use of any of Delta Controls' trademarks and/or trade names on or in connection with any advertising, and all such advertising by the Delta Controls Partner will contain proper notices of Delta Controls' ownership of such trademarks and trade names. Further, the Delta Controls Partner will provide copies of all such advertising to Delta Controls prior to its use.
- 6.13 The Delta Controls Partner will comply with the applicable privacy and data protection regulations where the Delta Controls Partner operates. Further, the Delta Controls Partner will comply with the requirements set forth in the Data Protection Agreement included in Schedule H.
- 6.14 The Delta Controls Partner will not supply Delta Controls Products to any individual or firm that will directly or indirectly supply them to a country sanctioned with export restrictions by the United States Office of Foreign Assets Control (OFAC).
- 6.15 The Delta Controls Partner will comply with all applicable laws, including all federal, provincial, state and municipal laws and by-laws, regulations, orders and rules of any kind relating to or affecting the Delta Controls Partner and/or the distribution of the Products. Further, the Delta Controls Partner will use reasonable efforts to protect and promote the reputation and goodwill of the Products and Delta Controls.

7. DELTA CONTROLS' OBLIGATIONS

- 7.1 From time to time, Delta Controls will furnish to the Delta Controls Partner such catalogues, circulars and other advertising material of Delta Controls in respect of the Products as may be reasonably requested by the Delta Controls Partner. All other advertising of the Delta Controls Partner will be at the Delta Controls Partner's expense
- 7.2 From time to time Delta Controls will offer sales, implementation, service and engineering training classes, for the benefit of its distributors, including, the Delta Controls Partner. Delta Controls implementation and training classes are provided primarily through online training facilities (<http://training.Deltacontrols.com>) and in classroom venues from time to time

by special announcement only. At the discretion of Delta Controls, any such training may be offered either free of charge, or for a fee covering Delta Controls' costs.

8. TERM OF AGREEMENT

8.1 This Agreement will remain in full force and effect until terminated by either Delta Controls or the Delta Controls Partner in accordance with its terms. This Agreement will remain in effect for one (1) year from the date hereof, subject to earlier termination as provided in this Agreement. This Agreement shall automatically renew for additional one (1) year terms if not terminated as provided in this Agreement. Either party may terminate this Agreement without cause at the end of the each one (1) year term by providing the other party ninety (90) days prior written notice. Either party may terminate this Agreement for cause at any time upon at least twenty (20) days prior written notice to the other. Cause shall be defined as failure to comply with the terms of the Agreement.

9. TERMINATION OF AGREEMENT

9.1 This Agreement and the rights granted to the Delta Controls Partner in this Agreement will terminate automatically, and without notice to the Delta Controls Partner, in the event of the insolvency of the Delta Controls Partner, the inability of the Delta Controls Partner to meet its financial obligations as they become due, the filing by or against the Delta Controls Partner of a voluntary or involuntary petition under any bankruptcy, insolvency, reorganization, arrangement or receivership law, the appointment by a court of a temporary or permanent receiver, trustee, or liquidator for the Delta Controls Partner or for any substantial part of its assets, or the making of an assignment by the Delta Controls Partner for the benefit of its creditors.

9.2 Delta Controls will have the option to immediately terminate this Agreement upon notice in writing to the Delta Controls Partner upon the occurrence of any of the following events:

- (a) the transfer or attempted transfer by the Delta Controls Partner, by operation of law or otherwise, of any interest in or right, privilege, or obligation under this Agreement or of the assets of the Delta Controls Partner required for the conduct of the Delta Controls Partner's operations, or in the event of any change, however accomplished, without Delta Controls' prior written consent, in the direct or indirect ownership, control or operating management of the Delta Controls Partner;
- (b) the dissolution of the Delta Controls Partner or the failure of the Delta Controls Partner for any reason to carry on business;
- (c) the failure of the Delta Controls Partner to pay when due any sum payable to Delta Controls pursuant to this Agreement or any other agreement between Delta Controls and the Delta Controls Partner, and the Delta Controls Partner failing to remedy such failure within thirty (30) days after receiving written notice of the same from Delta Controls;
- (d) the sale or offering for sale by the Delta Controls Partner of any product which competes with any of the Products, including, without limitation, the sale or offering for sale of any DDC product which is not a Delta Controls Product; with the exception of clause 6.3 of this agreement; or
- (e) the failure of the Delta Controls Partner to fulfil any provision or obligation under this Agreement, or
- (f) the failure of the Delta Controls Partner to fulfil responsibilities defined in a completed and executed National Accounts Policy/Agreement.

10. REACQUISITION OF PRODUCTS UPON TERMINATION

10.1 Upon the termination of this Agreement by Delta Controls for reasons other than any of those set out in Article 9, the Delta Controls Partner will be entitled to return to Delta Controls' facility in British Columbia, Canada, at the Delta Controls Partner's sole risk and expense, all unused, undamaged and unsold Products in the Delta Controls Partner's stock as at the effective date of termination which were purchased by the Delta Controls Partner from Delta Controls prior to the Delta Controls Partner receiving notice of termination, provided such Products are in first class saleable condition, are of then-current models, have not been altered outside of Delta Controls' factory, and, as applicable, were not previously incorporated into or attached to any Product. The price to be paid to the Delta Controls Partner for such Products shall be the invoice price paid by the Delta Controls Partner (exclusive of freight or other shipping expenses) at the time such Products were purchased from Delta Controls less twenty-five (25%) percent. Delta Controls has no obligation to accept the return of Products upon termination of this Agreement pursuant to Article 9 or upon the termination of this Agreement by the Delta Controls Partner for any reason whatsoever.

11. OBLIGATIONS UPON TERMINATION

- 11.1 Upon the termination or expiration of this Agreement for any reason, the Delta Controls Partner will:
- (a) cease to be an authorized distributor of Products and the Delta Controls Partner will pay Delta Controls all sums owing to Delta Controls under this Agreement or any other agreement between the parties;
 - (b) discontinue the use of all trademarks and/or trade names of Delta Controls by removing, at its own expense, all signage containing any of the same, and destroy or cease, as appropriate, any form of communication identifying the Delta Controls Partner as an authorized distributor of Products;
 - (c) cease to use on any website, whether in visible text or otherwise, terms or visual elements that are the same as or are confusingly similar to trademarks or trade names of Delta Controls and assign and transfer to Delta Controls any domain name it has registered, acquired or licensed that is the same as or confusingly similar to any trademark, trade name or domain name of Delta Controls;
 - (d) provide to Delta Controls within 30 days of such termination or expiration a list of all customers of the Delta Controls Partner who have been supplied with any Products by the Delta Controls Partner (such list to include the addresses and phone numbers for such customers and a list of the Products supplied to such customers);
 - (e) provide to Delta Controls, at Delta Controls' request, any and all of the information and materials required to be returned to Delta Controls pursuant to Section 5.1; and
 - (f) without limiting subsection 11.1(e), the Delta Controls Partner will return all Product lists, catalogues, circulars, sales leaflets, instruction and service manuals, and advertising materials that were furnished by Delta Controls to the Delta Controls Partner without cost.
- 11.2 If the Delta Controls Partner fails to comply with any of the requirements of this Article 11, then the Delta Controls Partner will reimburse Delta Controls for all costs and expenses, including reasonable attorneys' fees and disbursements, incurred by Delta Controls in effecting or enforcing compliance with it.

12. WARRANTIES, RETURNS

- 12.1 The warranties set out in this Section 12 of this Agreement are made to the end customer of the Products. The Delta Controls Partner will specifically incorporate the terms of the warranties set out below in each contract for the sale or licensing (as applicable) of Products to its customers. The Delta Controls Partner will not make or give any other warranties on Products except (and only to the extent) as set out below.
- 12.2 Products (other than any computer software Products which are covered by Section 12.9 of this Agreement) manufactured by Delta Controls are warranted to be free from defects in workmanship and material but only as to such defects discovered within twenty-four (24) months from the date of shipment to the Delta Controls Partner for which notice has been given in writing to Delta Controls prior to the expiration of such 24 month period (the "Limited Warranty"). Delta Controls' sole obligation under the warranty is to provide, without charge, parts and factory labour to remedy any defects of which notice has been given, as set out above, or to replace the defective components of any such Products, at its discretion. Any claim made pursuant to the Limited Warranty, must be made in writing and received by Delta Controls within thirty (30) days after the discovery of the defect. **THIS LIMITED WARRANTY IS THE ONLY EXPRESS WARRANTY THAT IS PROVIDED TO THE DELTA CONTROLS PARTNER AND ITS CUSTOMERS.** The Limited Warranty gives the Delta Controls Partner and its customers specific legal rights, and either or both may also have other rights which may vary from jurisdiction to jurisdiction. For example, some jurisdictions do not allow limitations on how long certain types of warranties last, in which case such limitations may not apply to the Delta Controls Partners or its customers.
- 12.3 The above warranty is contingent upon the proper installation, use and maintenance of the Products and will be void in the event of any unauthorised repair or disassembly, or any modification other than normal modifications as are described in Delta Controls' guidelines and/or specifications for any Products. The Limited Warranty does not cover any adjustment, repair or replacement that may be required because of accident, unusual physical, electrical, or electromechanical stress, lightning strike, neglect, misuse, the failure of electrical power, environmental air conditioning, humidity control, transportation, or rotating media not furnished by Delta Controls, the operation with media not meeting or maintained in accordance with Delta Controls' guidelines and/or specifications, or any other causes resulting from other than ordinary use.
- 12.4 The Delta Controls Partner will promptly return to Delta Controls, freight prepaid, any component of any Product which has failed during the warranty period. If examination reveals any manufacturing defect, Delta Controls will either repair or replace, at Delta Controls' option, the component and return it to the Delta Controls Partner freight prepaid.
- 12.5 The Delta Controls Partner and its customer's **exclusive** remedy for any breach of the Limited Warranty is as set forth above. **THE DELTA CONTROLS PARTNER AND ITS CUSTOMERS ARE NOT ENTITLED TO ANY DAMAGES,**

INCLUDING BUT NOT LIMITED TO DIRECT, GENERAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, except in jurisdictions where such exclusions are prohibited by law. Section 12.7 of this Agreement applies to the Limited Warranty and the terms of that Section are made a part of the Limited Warranty by this reference.

- 12.6 Except to the extent prohibited by applicable law, the above Limited Warranty is the only warranty made to the Delta Controls Partner and its customers and is provided in lieu of any other warranties (if any) created by any documentation or packaging or implied by law, and in particular, and without limitation, the United Nations Convention On Contracts For The International Sale of Goods shall not apply to any Products whatsoever. DELTA CONTROLS HEREBY DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO ANY (IF ANY) IMPLIED WARRANTIES OF QUALITY, PERFORMANCE, MERCHANTABILITY, DURABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE (INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF FITNESS FOR HIGH RISK ACTIVITIES — see Section 12.10 below), OR LACK OF NEGLIGENCE.
- 12.7 TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL DELTA CONTROLS BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER (INCLUDING BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS OR OF CONFIDENTIAL OR OTHER INFORMATION, FOR BUSINESS INTERRUPTION, FOR PERSONAL INJURY, FOR FAILURE TO MEET ANY DUTY INCLUDING OF GOOD FAITH OR OF REASONABLE CARE, FOR NEGLIGENCE AND FOR ANY OTHER PECUNIARY OR OTHER LOSS WHATSOEVER) ARISING OUT OF OR IN ANY WAY RELATED TO THE USE OF OR INABILITY TO USE THE PRODUCTS, EVEN IF DELTA CONTROLS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 12.8 IF DESPITE THE FOREGOING LIMITATIONS, DELTA CONTROLS SHOULD BECOME LIABLE TO THE DELTA CONTROLS PARTNER OR ITS CUSTOMERS IN RESPECT OF ANY PRODUCT OR ANY WARRANTY IN RESPECT OF THE SAME, THE ENTIRE LIABILITY OF DELTA CONTROLS WILL BE THE LESSER OF THE ACTUAL AMOUNT OF LOSS OR DAMAGE SUFFERED BY THE CLAIMANT AND THE AMOUNT ACTUALLY PAID TO DELTA CONTROLS IN RESPECT OF THE RELEVANT PRODUCT.
- 12.9 Any Product which is computer software will be covered by the warranty provided in Delta Controls' form of End User License Agreement (attached as Schedule D), as amended or revised from time to time, which warranty is subject to compliance by the Delta Controls Partner of the terms set out in Section 5 of this Agreement.
- 12.10 The suitability of Products for the protection of life and/or property is expressly excluded from the warranty provided by Delta Controls. Products manufactured and/or supplied by Delta Controls are intended solely as supplementary to and in no way as a substitute for, those devices required by statute, code, or good practice for the protection of life or property. Products manufactured and/or supplied by Delta Controls for smoke control must be UL864 certified and implemented in accordance to the engineering guidelines thereof. Any other such application of any Product will be considered not in accordance with Delta Controls' guidelines and/or specifications and, in no case, will any liability accrue to Delta Controls for any loss, damage or injury caused by, arising out of, or resulting from any such application.
- 12.11 Further, the Products are not fault-tolerant and are not designed, manufactured or intended for use or reliance in any situation in which any partial or total failure of the Products could lead to death, personal injury or severe physical or environmental damage, or for use as on-line control equipment in hazardous environments requiring fail safe performance, such as (but without limitation) in the operation of nuclear facilities, aircraft navigation or communication systems, air traffic control, life support machines, or weapons systems.

13. LIABILITY AND INDEMNIFICATION

- 13.1 The Delta Controls Partner agrees to defend, indemnify and hold Delta Controls, its officers, agents and employees, harmless from and against any and all claims, liabilities or costs (including legal fees on a solicitor and client basis) for any loss, damage or injury caused by, arising out of, or resulting from the distribution, sale or licensing of Products by the Delta Controls Partner or any other activities carried on by the Delta Controls Partner pursuant to this Agreement or otherwise in connection with any Products, except and to the extent that any such claims or damages are covered by the Limited Warranty or are the result of the wilful misconduct or gross negligence of Delta Controls.
- 13.2 Delta Controls will defend any suit or proceeding brought against the Delta Controls Partner based upon a claim that Products supplied to the Delta Controls Partner by Delta Controls constitute a direct infringement of any duly issued patent, copyright or other intellectual property right of any other person. Delta Controls must be promptly notified of any alleged infringement claim made against the Delta Controls Partner, otherwise the foregoing provision will not apply. Delta Controls will not be obligated to defend or be liable for cost and damages, if any alleged infringement results from any compliance by Delta Controls with the Delta Controls Partner's own specifications or designs, or from a modification or alteration of a Product or Part by the Delta Controls Partner or any person other than Delta Controls. Further, in the event of any such threatened or actual suit or proceeding, the Delta Controls Partner agrees to provide such information and assistance in the defence or settlement of the same as may be reasonably requested by Delta Controls, and Delta

Controls will not be responsible for any cost, expense, or compromise incurred or made by the Delta Controls Partner without Delta Controls' prior written consent, such consent not to be unreasonably withheld.

14. ARBITRATION

- 14.1 Other than as set out in Section 14.2, if any dispute arises between the parties to this Agreement, touching the meaning of this Agreement, or the rights and liabilities of the parties hereto, the same will be referred to arbitration, conducted pursuant to the *Commercial Arbitration Act* (British Columbia), as amended and in force from time to time (the "Act"). Any such arbitration will be conducted in the English language, in Vancouver, B.C., Canada, and by a single arbitrator who will be mutually agreed to by the parties, failing which such arbitrator will be appointed pursuant to the provisions of the Act. Any such arbitration shall be conducted using the rules of procedure of the British Columbia International Commercial Arbitration Centre in effect as of the date hereof. Where no such rules exist as of the date hereof, such rules in effect as of October 1, 1997 shall apply. The decision and/or award of the arbitrator will be final and binding on the parties and not subject to appeal except as provided in the Act, and any such decision and/or award may be enforced in the same manner as a judgement or order to the same effect, pursuant to the provisions of the Act. The costs of such arbitration will be shared equally between the parties unless otherwise determined by the arbitrator.
- 14.2 Notwithstanding Section 14.1, Delta Controls may take any and all such legal action it deems necessary or desirable in order to seek any and all legal and/or equitable remedies available (including, without limitation, restraining order, or injunctive relief) in order to protect Delta Controls' Confidential Information or any intellectual property right or other proprietary right of Delta Controls.

15. GOVERNING LAW

- 15.1 This Agreement will be governed by and construed in accordance with the internal and domestic laws of British Columbia, Canada without giving effect to the conflict of law rules thereof, and the parties hereby irrevocably submit to the non-exclusive jurisdiction of the courts of the Province of British Columbia with respect to this Agreement.

16. GENERAL

- 16.1 The Delta Controls Partner and Delta Controls agree to co-operate in good faith with each other in connection with any action or step to be taken in connection with this Agreement.
- 16.2 Delta Controls may set-off any amounts owed by it to the Delta Controls Partner against any amounts owed by the Delta Controls Partner to Delta Controls.
- 16.3 This Agreement constitutes the entire agreement between the parties respecting the subject matter hereof and supersedes all prior communications, agreements and discussions between the parties, and no amendment will be valid or binding except as may be agreed to in writing by each party or as may be expressly contemplated by this Agreement. A waiver by either party of any of the terms and conditions of this Agreement at any time or from time to time will apply only to the particular instance or instances for which such waiver has been given and only for the specific purpose given.
- 16.4 In this Agreement, references to "this Agreement" means this agreement, including the exhibits hereto, as amended and in effect from time to time, and any reference to a designated Article, Section, Schedule or other subdivision is a reference to such Article, Section, Schedule or other subdivision of this Agreement.
- 16.5 Section headings are for convenience only and do not form a part of this Agreement and are not intended to be used for purposes of interpretation of the text hereof.
- 16.6 Any notice, direction or communication required or permitted to be given under this Agreement will be in writing and will be sufficiently given if it is personally delivered, mailed by prepaid registered or certified mail, or telecopied to the other party to the attention of the president of such other party at the address and/or facsimile number as set out above for such party, or to such other address or facsimile number as any party may from time to time give notice of in writing. Any notice, direction or other communication given in accordance with this Section will be deemed to have been given or made and received, as applicable, on the date of delivery, if delivered, on the fifth day after mailing, if mailed by prepaid registered or certified mail, or on the day after sending if telecopied and if confirmation of receipt of such telecopy by the receiving machine is provided by either of the sending machine or the receiving machine.
- 16.7 If any provision herein or portion thereof is for any reason held by a court of competent jurisdiction to be invalid, illegal or unenforceable, such invalid, illegal or unenforceable provision will be severable from this Agreement and the remainder of this Agreement will be construed as if such provision or part thereof had been deleted from this Agreement.
- 16.8 This Agreement will ensure to the benefit of and be binding upon the respective successors and permitted assigns of the parties, and may not be assigned by the Delta Controls Partner without the prior written consent of Delta Controls. Delta

Controls may assign this Agreement to a purchaser of all or substantially all of the business and/or assets of Delta Controls and in such event will thereupon be released from its obligations under this Agreement.

16.9 This Agreement shall not be effective until authorised and executed by the Vice President or another duly authorized officer of Delta Controls.

17. DELTA CONTROLS PARTNER PERFORMANCE AND CUSTOMER SATISFACTION AGREEMENT

17.1 The Delta Controls Partner agrees to achieve as a minimum, the sales and market share as set in Schedule A of this agreement. Failing to achieve the minimum sales and market share goals may result in the Delta Controls Partner relinquishing territory status and moving to a less aggressive price list multiplier for a probationary period. Further failure to maintain sales and market share goals will result in termination of the Agreement.

17.2 The Delta Controls Partner will allow Delta Controls to survey and audit at random the end users within the Territory to ensure the product has been installed to the satisfaction of Delta Controls and the end user as per Schedule F. Failure to maintain end user customer satisfaction may result in the Delta Controls Partner relinquishing territory status and moving to a less aggressive price list multiplier for a probationary period. Failure to comply with the industry standards for installation and system operation will result in termination of the Agreement.

18. INITIAL ORDER

18.1 The initial order is defined in Schedule C. Modifications if any to this Initial Order must be completed with the Delta Controls Regional Sales Manager prior to execution of this Agreement. Execution of this Agreement serves as Delta Controls' authority to process the Initial Order immediately as defined in Schedule C. Should a purchase order number be required, it is your responsibility to provide same below.

PO Number _____

In witness whereof, the parties hereto have executed this Agreement as of the date set out above.

Delta Controls Partner: [PARTNER NAME]

by

([NAME AND TITLE OF SIGNATORY])

Date

Delta Controls Inc.

by

(John V. Nicholls - President)

Date

by

(Kurt Graves – Director, Global Inside Sales)

Date

ATTACHMENTS

SCHEDULE	A	Territory and Price List Multiplier
SCHEDULE	B	Price List: https://orders.Deltacontrols.com
SCHEDULE	C	New Partner – Minimum Initial Order
SCHEDULE	D	End User Software Use Agreement
SCHEDULE	F	End User Survey
SCHEDULE	G	Competitive Products Declaration and Acknowledgement
SCHEDULE	H	Data Processing Agreement

EXHIBIT

SCHEDULE A

Territory and Price List Multiplier

Territory

The Delta Controls Partner's Territory is defined as: General Outline of Territory

Exclusive Territory to include: List Exclusive Counties/Areas

Non-Exclusive Territory to include: List Non-Exclusive Counties/Areas

Rules and Regulations:

1. Delta Partner acknowledges that it has offices and does business outside of the defined subject market. The use of Delta Controls products and resources are intended for use only in the agreed upon territory and are not to be utilized in markets outside of the specified territory.
2. The defined territory and market segment is shared with other independent distributor organizations, as governed by distributorship agreements with Delta Controls.
3. Without prior approval from Delta Controls, any extension, replacement or service of Delta Controls systems or products installed by other independent distributor organizations is excluded from this agreement.

Delta Controls, in its sole discretion, may adjust the Territory from time to time.

Out of Territory Sales:

Out of territory sales may be allowed after consultation with the local partner, and approval by Delta. Financial and operational agreements between the involved entities will be set up independent of Delta.

Currency For Payments

CDN Dollars USA Dollars

Discount Terms for Delta Controls Manufactured Products:

Annual Partner Purchases (Jan 1 – Dec 31)
Discount Rate (from list price): Percentage Discount%

multiplier (for list price): Multiplier –to be multiplied by: List Price

Discount Terms for Delta Controls Manufactured Products: (After 3rd year of operation as a Delta Controls Partner)

Annual Partner Purchases (Jan 1 – Dec 31)	% Discount	Multiplier
A \$200,000 +	80%	0.20
B \$100,000 - \$199,999	79%	0.21
C \$50,000 - \$99,999	77%	0.23
D \$0 - \$49,999	75%	0.25

Reaching the volume milestone at any time will automatically qualify you for the next best multiplier. Failing to maintain volume over the fiscal year (Jan 1 – Dec 31) will move you to the next higher multiplier.

Maintained Growth for Delta Controls Manufactured Products:

Minimum Annual Purchase Quota for the current year of the Agreement is \$xx

All quotas are based on Delta Controls’ fiscal year beginning January 1st. The new minimum annual purchase quota will be reviewed with the Partner and adjusted by Delta Controls from time to time.

Discount Terms for Field Devices:

Field Devices	80%	0.20
Delta Electronics	80%	0.20
Tridium	58%	0.42

Product Forecast

The Partner agrees to provide Delta Controls with forecasts of its requirements for Products on an annual basis or as requested periodically by Delta Controls.

Delta Controls may update required quotas on an annual basis.

Acknowledged:

By

Delta Controls Inc.

Date

By

Partner Company Name

Date

SCHEDULE B

Price List

Upon execution of the said agreement and receipt of initial order and subsequent issuance of username and password, the Delta Controls Partner will be able to access the most current price list located <https://orders.Deltacontrols.com>.

Example

SCHEDULE C

New Partner - Minimum Initial Order

	Net Price
[Business Development Manager to complete this section]	
TOTAL	SUS

Downloadable documents

<p>Delta Controls Brand Guidelines https://support.deltacontrols.com/foswiki/pub/Marketing/WebHome/Delta_Brand_Guidelines_2017.pdf</p>
<p>RMA Policy & Procedures https://support.Deltacontrols.com/foswiki/bin/view/RMA/WebHome</p>

***Note** The contents of the above listed initial purchase may be modified upon mutual agreement between Delta Controls and the Delta Controls Partner.

SCHEDULE D

End User Software Use Agreement

NOTICE OF LEGAL AGREEMENT: You should carefully read the following terms and conditions. INSTALLING (OR AUTHORIZING INSTALLATION), COPYING OR USING THE SOFTWARE PRODUCT CONSTITUTES YOUR AGREEMENT TO BE LEGALLY BOUND BY THE TERMS AND CONDITIONS OF THIS END USER LICENSE AGREEMENT (“Agreement”). If you are not willing to

agree, _____ (the “Distributor”) is neither

authorized nor willing to license the Software Product to you and you are not authorized to install, use or copy it. **If you do not accept this Agreement, you should promptly return the package as indicated in the Limited Warranty below and the license fee you paid will be refunded.**

As used in this Agreement, “you” means the licensee (either an individual or one entity represented by an agent who is duly authorized to legally bind the entity or individual to this Agreement) of the Software Product. “Software Product” means _____ (insert name of software product), the media in which it exists (e.g. CD or diskette) and any accompanying documentation (whether printed or electronic).

Distributor grants you a nonexclusive license to use the Software Product, provided that you agree to the following:

1. Grant of License and Ownership of Software Product

The Software Product is being licensed, not sold to you. The Software Product is protected by copyright laws and international copyright treaties, as well as other intellectual property laws and treaties. The title and all copyrights and ownership rights for the Software Product and related documents (printed and electronic) are retained by DELTA CONTROLS INC., the licensor of Distributor. You may not copy, alter, or modify the Software Product or any of the documentation for it, or do anything else that would infringe the rights of Distributor or Delta Controls Inc., except as expressly authorized by this Agreement.

2. Use of the Software

You may receive the Software Product in more than one medium. Regardless of the type or size of the medium, you may use one copy of the Software Product solely for your own internal purposes on only one single computer at a time, unless multi-user support is expressly included for a specified maximum number of simultaneous users. You may copy the Software Product into any machine-readable form for backup purposes.

3. Other Rights and Limitations

You may not reverse engineer, decompile, or disassemble the Software Product, except and only to the extent that such activity is permitted by applicable law notwithstanding this limitation. The Software Product is licensed as a single product and its component parts may not be separated for use on more than one computer. You may not rent, lease or lend the Software Product to others.

You may permanently transfer all of your rights under this Agreement to another, provided you retain no copies, you transfer all of the Software Product (including all component parts, the media and printed materials, any upgrades and this Agreement), and the recipient agrees to the terms of this Agreement. If the Software Product is an upgrade, any transfer must include all prior versions of the Software Product.

If the Software Product is received in more than one medium you may not loan, rent or lease, or otherwise transfer the other medium to another user or location, except as part of the permanent transfer (as provided above) of the Software Product.

4. Limited Warranty and Limitation of Liability

LIMITED WARRANTY. Distributor warrants that the Software Product will perform substantially in accordance with its accompanying documents (printed or electronic) on the date of receipt of the Software Product and for an additional period of twenty-four (24) months from that date. **THIS LIMITED WARRANTY IS THE ONLY EXPRESS WARRANTY THAT IS PROVIDED TO YOU.**

You also have an implied warranty, **BUT ONLY AS TO DEFECTS DISCOVERED DURING THE PERIOD OF THIS LIMITED WARRANTY (24 months)**, and only if an implied warranty is created by your state or other jurisdiction and federal or state law prohibits disclaimer of it (this implied warranty, if applicable, and the above limited warranty are, collectively, the “Limited Warranty”). **AS TO ANY DEFECTS DISCOVERED AFTER THE 24 MONTH PERIOD, THERE IS NO WARRANTY OF ANY KIND.** Some states or other jurisdictions do not allow limitations on how long an implied warranty lasts, so the above limitation may not apply to you.

To the extent allowed by applicable law, this Limited Warranty is only made to you, the first licensed user of the Software Product, and there are no third party beneficiaries of this Limited Warranty. This Limited Warranty is not intended for and does not apply to anyone else (except as required by law), including anyone to whom you make any authorized transfer of this Agreement.

YOUR EXCLUSIVE REMEDY. Distributor's and its suppliers' (including Delta Controls) entire liability and your exclusive remedy shall be, at Distributor's option, (a) for Distributor to provide commercially reasonable technical support efforts to repair any defects, or (b) replace the Software Product, or (c) refund the license fee you paid for the Software Product which is returned to Distributor with a copy of your receipt. You may exercise this remedy without charge, except that you are responsible for any expenses you may incur. Any replacement software will be warranted for the remainder of the original warranty period or thirty (30) days, whichever is longer. To exercise your remedy, contact:

Distributor: _____

ATTN: _____

(insert name, title or department responsible for warranty obligations)

Telephone: _____

LIMITATIONS ON REMEDIES AND DAMAGES. Your **exclusive** remedy for any breach of this Limited Warranty is as set forth above. Except for any refund elected by Distributor, **YOU ARE NOT ENTITLED TO ANY DAMAGES, INCLUDING BUT NOT LIMITED TO INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES.** Section 6 of this Agreement (see below) applies to this Limited Warranty and the terms of that section are made a part of this Limited Warranty by this reference. Some states or other jurisdictions do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation or exclusion may not apply to you.

This Limited Warranty gives you specific legal rights. You may have others, which vary from jurisdiction to jurisdiction.

5. No Other Warranties

The above Limited Warranty is the only warranty made to you and is provided in lieu of any other warranties (if any) created by any documentation or packaging or implied by law. No other warranties are made with respect to the Software Product by any person, including but not limited to Distributor and its suppliers (including Delta Controls Inc.). **EXCEPT FOR THE LIMITED WARRANTY AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, DISTRIBUTOR AND ITS SUPPLIERS (INCLUDING DELTA CONTROLS INC.) PROVIDE THE SOFTWARE PRODUCT *AS IS AND WITH ALL FAULTS*, AND HEREBY DISCLAIM ALL OTHER WARRANTIES, EITHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO ANY (IF ANY) IMPLIED WARRANTIES OF QUALITY, PERFORMANCE, MERCHANTABILITY, DURABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE (INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF FITNESS FOR HIGH RISK ACTIVITIES - see Section 8 below), OR LACK OF VIRUSES OR LACK OF NEGLIGENCE.**

ALSO, THERE IS NO WARRANTY OF TITLE, AUTHORITY OR NONINFRINGEMENT IN THE SOFTWARE PRODUCT AND NO WARRANTY AGAINST ANY OTHER THIRD PARTY CLAIMS THAT MIGHT INTERFERE WITH YOUR ENJOYMENT OF THE SOFTWARE PRODUCT.

6. Exclusion of Incidental, Consequential and Certain Other Damages

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL DISTRIBUTOR AND ITS SUPPLIERS (INCLUDING DELTA CONTROLS) BE LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER (INCLUDING BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS OR CONFIDENTIAL OR OTHER INFORMATION, FOR BUSINESS INTERRUPTION, FOR PERSONAL INJURY, FOR FAILURE TO MEET ANY DUTY INCLUDING OF GOOD FAITH OR OF REASONABLE CARE, FOR NEGLIGENCE AND FOR ANY OTHER PECUNIARY OR OTHER LOSS WHATSOEVER) ARISING OUT OF OR IN ANY WAY RELATED TO THE USE OF OR INABILITY TO USE THE SOFTWARE PRODUCT, EVEN IF DISTRIBUTOR OR DELTA CONTROLS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7. Limitation of Liability and Exclusive Remedy

NOTWITHSTANDING ANY DAMAGES THAT YOU MIGHT INCUR FOR ANY REASON WHATSOEVER (INCLUDING WITHOUT LIMITATION, ALL DAMAGES REFERENCED ABOVE AND ALL DIRECT OR GENERAL DAMAGES), THE ENTIRE LIABILITY OF DISTRIBUTOR AND ITS SUPPLIERS (INCLUDING DELTA CONTROLS INC.) UNDER ANY

PROVISION OF THIS AGREEMENT OR THE LIMITED WARRANTY, AND YOUR EXCLUSIVE REMEDY AGAINST ALL OF THE FOREGOING (except for any remedy of repair or replacement elected by Distributor under the Limited Warranty), SHALL BE LIMITED TO THE AMOUNT ACTUALLY PAID BY YOU FOR THE SOFTWARE PRODUCT.

8. High Risk Activities

The Software Product is not fault-tolerant and is not designed, manufactured or intended for use or reliance in any situation in which any partial or total failure of the Software Product could lead to death, personal injury or severe physical or environmental damage, or for use or relicense as on-line control equipment in hazardous environments requiring fail safe performance (collectively, “High Risk Activities”), such as (but without limitation) in the operation of nuclear facilities, aircraft navigation or communication systems, air traffic control, life support machines, or weapons systems.

9. Termination

Distributor may terminate this Agreement if you fail to comply with any of its terms and may exercise any or all of its rights under this Agreement or under applicable law. Upon any termination, you agree to return or, at Distributor’s direction, destroy all copies of the Software Product and all of its component parts and to make no further use of it.

10. Other Terms

This Agreement will be governed by the laws of the State of California, and the laws of the USA applicable therein. The courts of California will have the non-exclusive jurisdiction to entertain any action or proceeding brought by the parties in connection with this Agreement, and the parties each irrevocably submit to the jurisdiction of such courts.

Should any provisions of this Agreement subsequently be determined to be illegal or unenforceable, such provision will at that time be deemed omitted from this Agreement, and all other provisions will be unaffected and will continue in full force and effect.

SCHEDULE F

End User Survey

Delta Controls Quality Assurance Survey

Customer _____

Address _____

Telephone _____

Delta Controls Partner _____

Address _____

Telephone _____

Did the Hardware Products meet your expectations?

Did the Software Products meet your expectations?

Are you satisfied by the technical ability of your Delta Controls Partner?

Does your Delta Controls Partner provide the necessary service and maintenance?

Did you receive adequate training to operate your Delta Controls Control System?

Does your Control System installation meet industry standards for quality?

Additional Comments:

SCHEDULE G

Competitive Products Declaration and Acknowledgement

Pursuant to the clause 6.3 this serves to declare competitive products that are currently offered and will continue to be offered by the Delta Controls Partner

Competitor 1 _____

Competitor 2 _____

Initial Partner _____

This serves to acknowledge the above declaration of competitive product representation

Initial Delta Controls _____

EXAMPLE

SCHEDULE H

Data Processing Agreement

This Data Processing Agreement (“DPA”) forms part of the D<whatever product this refers to> Service Agreement (the “Subscription Service”) between COMPANY, and its affiliated companies, having its office located at ADDRESS (“**Data Processor**”)

and

Delta Controls Inc., having its corporate office located at 17850 56 Ave, Surrey, BC V3S 1C7, Canada (“**Data Sub-processor**”)

Together hereinafter referred to as the “Parties”.

1. DEFINITIONS

“**Data Controller**” means the entity which determines the purposes and means of the Processing of Personal Data.

“**Data Processor**” means the entity which Processes Personal Data on behalf of the Data Controller.

“**Data Protection Laws**” means all laws and regulations, including laws and regulations of the European Union, Canada, United States and other jurisdictions applicable to the Processing of Personal Data under the Subscription Service.

“**Data Subject**” means the individual to whom Personal Data relates.

“**Personal Data**” means any information relating to an identified or identifiable person. The types of Personal Data Processed under this DPA include but are not limited to the following: name, business contact information including but not limited to address, phone number, email, job title, company, location.

“**Processing**” means any operation or set of operations which is performed upon Personal Data, whether or not by automatic means, such as collection, recording, organization, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, blocking, erasure or destruction (“Process”, “Processes” and “Processed” shall have the same meaning).

“**Security Breach**” means any accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to any Personal Data transmitted, stored or otherwise Processed on the Data Processor’s equipment or facilities.

“**Data Sub-processor**” means any sub-contractor engaged by the Data Processor that will Process Personal Data on behalf of the Data Controller through the Data Processor.

2. PROCESSING OF PERSONAL DATA

- 2.1. The Data Sub-processor shall Process Personal Data provided by the Data Processor in accordance with the requirements of the Data Protection Laws. If the Data Sub-processor believes or becomes aware that any of the Data Processor’s instructions conflicts with any Data Protection Laws, the Data Sub-processor shall inform the Data Processor, who in turn shall inform the Data Controller.
- 2.2. During the term of the Subscription Service, the Data Sub-processor shall only Process Personal Data on behalf of and in accordance with the Subscription Service and Data Processor’s instructions, except as required to comply with a legal obligation to which the Data Sub-processor is subject. In such a case, the Data Sub-processor shall inform the Data Processor, who in turn shall inform the Data Controller of that legal obligation.
- 2.3. The categories of Personal Data that the Data Sub-processor will Process as part of the Subscription Service is determined and controlled by the Data Controller at its sole discretion.

3. CONFIDENTIALITY

- 3.1. Without prejudice to any existing contractual arrangements between the Parties, the Data Processor and the Data Sub-processor shall treat all Personal Data as strictly confidential and it shall inform all its employees, agents and/or approved Data Sub-processors engaged in processing the Personal Data of the confidential nature of the Personal Data. The Data Processor and the Data Sub-processor shall ensure that all such persons or parties have signed an appropriate confidentiality agreement, are otherwise bound to a duty of confidentiality, or are under an appropriate statutory

obligation of confidentiality.

4. SECURITY

- 4.1. The Data Processor and the Data Sub-processor shall implement appropriate technical and organizational measures to ensure a level of security of the processing of Personal Data appropriate to the risk. These measures shall include as appropriate:
- (a) measures to ensure that the Personal Data can be accessed only by authorized employees;
 - (b) the ability to ensure the ongoing confidentiality, integrity, availability and flexibility of processing systems and services;
 - (c) the ability to restore access to Personal Data in a timely manner;
 - (d) a process for regularly identifying vulnerabilities, as well as testing, assessing, and evaluating the effectiveness of technical and organisational measures for ensuring the security of the processing of Personal Data;
- 4.2. The Data Processor and the Data Sub-processor shall demonstrate the measures they have taken pursuant to this Article 4 and shall allow the Data Controller to audit and test such measures. The Data Controller shall give at least 30 days' notice to the Data Processor or the Data Sub-processor to carry out or have carried out by a third party who has entered into a confidentiality agreement with the Data Processor or the Data Sub-processor, audits of the Data Processor's or the Data Sub-processor's operations as these relate to the Personal Data. The Data Processor or the Data Sub-processor shall cooperate with such audits carried out by or on behalf of the Data Controller and shall grant the Data Controller's auditors reasonable access to any devices involved with the Processing of the Personal Data. to ascertain the Data Processor's or the Data Sub-processor's compliance with this Data Processing Agreement.

5. SUB-PROCESSORS

- 5.1. The Data Processor engages only the following sub-Processors for the purpose of the provision of the Subscription Service:
- Delta Controls Inc.
- 5.2. Notwithstanding any authorization by the Data Controller within the meaning of the preceding paragraph, the Data Processor shall remain fully liable, including but not limited to indemnifying against any third party damages alleged against Data Controller, in relation to the Data Controller for any actions of any such Data Sub-processor that fails to fulfil its data protection obligations or causes any other damage to Data Controller.
- 5.3. The Data Processor acknowledges and agrees to the Data Sub-processor and Data Sub-processor's affiliated companies respectively may engage third-party Data Sub-processors in connection with the provision of the Subscription Service.
- 5.4. The Data Processor shall ensure that the Data sub-Processors are bound by the same data protection obligations of the Data Processor under this Data Processing Agreement, shall supervise compliance thereof, and must in particular impose on its own Data Sub-processors the obligation to implement appropriate technical and organizational measures in such a manner that the Processing will meet the requirements of Data Protection Laws.

6. ASSISTANCE TO DATA CONTROLLER

- 6.1. The Data Sub-processor shall assist the Data Processor by appropriate technical and organizational measures, insofar as this is possible, for the fulfilment of the Data Controller's obligation to respond to requests for exercising the Data Subjects' rights under the Data Protection Laws.
- 6.2. The Data Sub-processor shall make available to the Data Processor all information necessary to demonstrate compliance with the Data Controller's obligations and allow for and contribute to audits and data protection impact assessments, conducted by the Data Controller.

7. INFORMATION OBLIGATIONS AND SECURITY BREACH MANAGEMENT

- 7.1. When the Data Sub-processor becomes aware of a Security Breach that impacts the Processing of the Personal Data that is the subject of the Subscription Service, it shall promptly notify the Data Processor, who in turn will notify the Data Controller about the Security Breach and shall follow the Data Controller's instructions with regard to such incidents.

7.2. The Data Sub-processor shall at all times have in place written procedures which enable it to promptly respond to the Data Processor about a Security Breach, who in turn will support the Data Controller in the event that the Data Controller needs to notify under applicable Data Protection Laws.

8. RETURNING OR DESTRUCTION OF PERSONAL DATA

8.1. Upon termination of this Data Processing Agreement, upon the Data Controller's written request, or upon fulfillment of all purposes agreed in the context of the Subscription Service whereby no further processing is required, the Data Processor and the Data Sub-processor shall, at the discretion of the Data Controller, delete or destroy all Personal Data.

9. DURATION AND TERMINATION

9.1. This Data Processing Agreement shall come into effect on the same date as the Subscription Service.

9.2. Termination or expiration of this Data Processing Agreement shall not discharge the Data Processor from its confidentiality obligations pursuant to Article 3.

9.3. This Data Processing Agreement shall terminate on the same date as the termination date of the Subscription Service. The Data Processor and the Data Sub-processor shall process Personal Data until that termination date.

On behalf of Delta Controls Partner

Date

On behalf of Delta Controls Inc.

Date