

ENSIL INC. — WARRANTY, TERMS AND CONDITIONS

Commercial / Business Transactions Only | Revision 2026-02 | EFFECTIVE DATE: AUGUST 10, 2026

1. Application; Buyer Terms Rejected.

EFFECTIVE DATE: AUGUST 10, 2026. These Terms apply to Products and Services ordered, authorized, accepted or provided on or after August 10, 2026. These Terms apply to all quotations, estimates, repairs, engineering, manufacturing, prototypes, goods and services supplied by Ensil Inc. ("Ensil") to the customer ("Buyer") and are intended solely for business/commercial transactions. Buyer accepts these Terms by issuing a purchase order, authorizing work, delivering equipment to Ensil, accepting Ensil's quotation, accepting goods/services, or paying an invoice. Any additional, different or inconsistent terms in Buyer's purchase order, portal, supplier terms or other document are expressly rejected and shall not apply unless specifically accepted in writing by an authorized officer of Ensil. Ensil's commencement of work, acknowledgment, shipment, invoice or acceptance of payment does not constitute acceptance of Buyer's terms. In case of conflict, the order of precedence is: (a) a written agreement signed by an authorized Ensil officer; (b) Ensil quotation/order acknowledgment; (c) these Terms; (d) specifications/SOW expressly accepted by Ensil; and (e) Buyer's PO solely for accepted quantities, part numbers, price and delivery information. No oral statement, technical advice, email, course of dealing or employee representation modifies these Terms or creates or enlarges any warranty.

2. Quotations; Scope; Specifications.

Quotations and estimates expire thirty (30) days after issuance unless otherwise stated. Repair estimates are based on information then available and may be revised following inspection, disassembly, testing or discovery of additional defects, damage, obsolete parts, contamination, unauthorized modification or other conditions. Ensil has no obligation to perform work outside the authorized scope. Buyer is responsible for the accuracy, completeness, legality and suitability of all specifications, drawings, designs, instructions, software, firmware and technical information supplied by Buyer, and Ensil may rely upon them. Unless expressly agreed in writing, Ensil does not warrant or guarantee Buyer's entire machine, system, aircraft, platform, production line or other equipment, compatibility with third-party systems, or achievement of Buyer's production, availability, reliability, certification, regulatory, economic or particular application objectives. Buyer shall disclose before order acceptance any unusually high-consequence, life-safety, flight-critical, nuclear or similar application.

3. Prototypes and Development.

Prototype, experimental, reverse-engineered and development products are developmental in nature. Unless expressly agreed in writing, Ensil does not warrant that they are suitable for production use, regulatory approval, certification or Buyer's intended application. Buyer is responsible for validation, qualification and approval before operational use.

4. Delivery; Payment.

Delivery, turnaround and shipping dates are estimates only and time is not of the essence unless expressly agreed in writing. Ensil is not liable for delay, penalties, chargebacks, downtime or resulting losses. Unless credit is approved, payment is due before release/shipment; otherwise payment is due as stated on Ensil's invoice. Buyer shall pay without set-off, deduction, counterclaim or withholding except as required by law. Overdue amounts bear interest at the lesser of 1.5% per month (18% annually) or the maximum lawful rate. Ensil may suspend work, withhold shipment, require advance payment/security or cancel unperformed work if amounts are overdue or Buyer's creditworthiness materially deteriorates. Buyer shall reimburse reasonable collection and legal costs to the extent permitted by law.

5. Shipping; Risk; Unclaimed Property.

Buyer is responsible for shipping, packaging, freight, insurance, brokerage, customs, duties, permits and transportation charges unless otherwise agreed. Risk while property is transported to Ensil remains with Buyer and risk on return passes to Buyer when Ensil delivers the property to the carrier. Ensil is not liable for carrier loss, damage or delay. Buyer shall collect property or provide shipping instructions within thirty (30) days after notice that it is ready. Thereafter Ensil may charge storage fees and, after sixty (60) days, may exercise any lawful right to store, relocate, sell, recycle or dispose of unclaimed property and apply proceeds against amounts owing.

6. Limited Warranty.

Subject to these Terms, Ensil warrants to the original Buyer for one hundred twenty (120) days from the earlier of shipment, availability for collection or invoice date that: (a) the specific repair or service work actually performed by Ensil will be free from material defects in Ensil workmanship; and (b) Ensil-manufactured products will be free from material defects in Ensil-supplied materials and workmanship, unless a different period is stated in Ensil's quotation. THE WARRANTY APPLIES ONLY TO ENSIL'S SPECIFIC WORK AND DOES NOT CONSTITUTE A WARRANTY OF THE ENTIRE PRODUCT, UNIT, ASSEMBLY, MACHINE OR SYSTEM. A subsequent failure of a component, circuit, subsystem or condition unrelated to Ensil's work is not a warranty defect merely because it occurs within the warranty period. Ensil makes no warranty regarding the quality, authenticity, condition, remaining life, suitability or performance of Buyer-furnished components/materials/software/firmware, and only warrants its workmanship in incorporating them. For third-party, obsolete, legacy, substitute, aftermarket, refurbished or reclaimed components, Ensil's component warranty shall not exceed any transferable warranty actually available to Ensil from its supplier; Ensil's workmanship warranty remains as stated herein.

7. Warranty Exclusions; Claims; Mandatory 10-Day Physical-Receipt Condition.

Warranty does not cover loss or damage caused in whole or part by transportation; defective packaging; improper installation/removal/reinstallation; misuse; abuse; neglect; accident; unauthorized repair/modification/tampering; ESD; electrical overstress, surge, incorrect voltage/current or grounding; improper maintenance; contamination; corrosion; moisture; fire; heat/cold; vibration; shock; radiation; environmental exposure; operation outside specifications; normal wear; Buyer/third-party materials; software/firmware/data/cybersecurity events except where expressly within Ensil's scope; inaccurate Buyer information; unrelated component failure; or causes outside Ensil's reasonable control. Buyer must notify Ensil in writing promptly and before warranty expiry, identify the applicable invoice/work order, product/serial number and claimed failure, and provide information reasonably requested by Ensil. NOTICE, AN RMA REQUEST OR SHIPMENT ALONE DOES NOT PERFECT, EXTEND OR PRESERVE WARRANTY COVERAGE. AS AN EXPRESS CONDITION PRECEDENT TO WARRANTY SERVICE, THE AFFECTED ITEM MUST BE PHYSICALLY RECEIVED BY ENSIL AT ITS DESIGNATED MARKHAM, ONTARIO FACILITY NO LATER THAN TEN (10) CALENDAR DAYS AFTER EXPIRATION OF THE APPLICABLE WARRANTY PERIOD. Buyer bears all responsibility and risk for timely return. Tender to a carrier, tracking information, transportation delay, customs delay or other dispatch does not constitute receipt by Ensil. IF ENSIL DOES NOT PHYSICALLY RECEIVE THE ITEM WITHIN THAT TEN (10)-DAY PERIOD, WARRANTY COVERAGE FOR THAT CLAIM AUTOMATICALLY EXPIRES AND ENSIL SHALL HAVE NO WARRANTY OBLIGATION OR LIABILITY FOR THAT CLAIM, EXCEPT TO THE EXTENT PROHIBITED BY APPLICABLE LAW OR EXPRESSLY AGREED IN WRITING BY ENSIL. Buyer shall not materially alter, repair or destructively test the claimed defect before Ensil has a reasonable opportunity to inspect it. Ensil shall determine, acting reasonably and based on inspection, testing and technical evidence, whether warranty coverage applies. Any extension of the return deadline must be expressly authorized in writing by an authorized representative of Ensil.

8. Exclusive Remedy; Excluded Warranty Costs.

If Ensil confirms a valid warranty defect, BUYER'S SOLE AND EXCLUSIVE REMEDY AND ENSIL'S SOLE OBLIGATION, at Ensil's option, is to reperform the service, repair the defect, replace the affected Ensil-supplied component, issue a credit, or refund the amount actually paid to Ensil for the affected product/service. Repair, replacement or reperformance does not restart the original warranty period unless required by law or agreed by Ensil. Unless expressly agreed, warranty does not include onsite troubleshooting, removal, de-installation, reinstallation, access, disassembly, field labour, travel, accommodation, lifting/rigging, commissioning, system testing, expedited freight, customs, rental/replacement equipment or similar costs.

9. Disclaimer of Other Warranties.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE EXPRESS LIMITED WARRANTIES ABOVE ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, CONDITIONS, REPRESENTATIONS OR GUARANTEES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING MERCHANTABILITY, MERCHANTABLE QUALITY, FITNESS FOR A PARTICULAR PURPOSE, DURABILITY, NON-INFRINGEMENT AND WARRANTIES ARISING FROM COURSE OF DEALING, USAGE OR PERFORMANCE. No warranty is transferable or assignable without Ensil's written consent, and no end user, customer of Buyer, owner, operator or other third party acquires warranty rights against Ensil merely through ownership or use.

10. Limitation of Liability.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, ENSIL AND ITS AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND SUBCONTRACTORS SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, CONTINGENT OR CONSEQUENTIAL LOSS OR DAMAGE, INCLUDING LOST PROFITS, REVENUE, PRODUCTION, USE, BUSINESS, CONTRACTS, OPPORTUNITIES, SAVINGS, GOODWILL OR DATA; BUSINESS INTERRUPTION OR DOWNTIME; SUBSTITUTE PRODUCTS/SERVICES; RENTAL EQUIPMENT; FIELD SERVICE; REMOVAL/REINSTALLATION; OR THIRD-PARTY ECONOMIC LOSS, WHETHER ARISING IN CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE, TORT, STRICT LIABILITY, STATUTE OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY. ENSIL'S TOTAL AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO ANY PRODUCT, SERVICE OR TRANSACTION SHALL NOT EXCEED THE AMOUNT ACTUALLY PAID TO ENSIL FOR THE SPECIFIC PRODUCT OR SERVICE GIVING RISE TO THE CLAIM. These limitations are independent allocations of commercial risk and apply even if a limited remedy fails of its essential purpose, except to the extent liability cannot lawfully be excluded or limited.

11. Indemnity.

To the maximum extent permitted by law, Buyer shall defend, indemnify and hold harmless Ensil and its affiliates, directors, officers, employees, agents and subcontractors from third-party claims, liabilities, damages, costs and reasonable legal fees arising from Buyer-provided specifications/designs/instructions; intellectual-property claims resulting therefrom; Buyer's installation, integration, use, maintenance or modification; customer-furnished materials/software; Buyer's violation of law; representations or warranties made by Buyer to third parties exceeding Ensil's obligations; or Buyer's negligence or willful misconduct, except to the extent finally determined to result directly from liability of Ensil that cannot lawfully be allocated to Buyer.

12. Force Majeure; Compliance.

Ensil is not liable for delay or nonperformance caused by events beyond its reasonable control, including fire, flood, severe weather, epidemic/pandemic, war, terrorism, labour dispute, government action, sanctions, export restriction, cyberattack, utility/transport interruption, supplier failure, component shortage, allocation or obsolescence. Ensil may suspend performance, allocate available materials/capacity or terminate affected unperformed work without liability. Buyer is responsible for applicable import/export/re-export, customs, sanctions, controlled-goods and use requirements, and Ensil may refuse or suspend performance where compliance is reasonably in doubt.

13. Confidentiality; Taxes.

Each party shall reasonably protect the other's non-public confidential information and use it only for the transaction, excluding information lawfully public, previously known, independently developed or lawfully obtained without restriction. Legally required disclosure is permitted. Buyer shall pay all applicable sales, use, VAT, customs, duties, brokerage, import/export and similar taxes or governmental charges except taxes on Ensil's net income.

14. Governing Law; General.

These Terms and all transactions are governed exclusively by the domestic laws of Ontario and applicable federal laws of Canada, without regard to conflict-of-law principles. The United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply. Buyer submits to the exclusive jurisdiction of the courts of Ontario, Canada, subject to any written dispute-resolution agreement signed by Ensil. Buyer may not assign these Terms or warranty rights without Ensil's written consent. No failure by Ensil to enforce a right is a waiver. If any provision is invalid or unenforceable, it shall be enforced to the maximum lawful extent and the balance remains effective. Payment, confidentiality, warranty limitations, disclaimers, liability limitations, indemnity, governing law and provisions intended by their nature to survive shall survive completion or termination. These Terms and the documents identified in Section 1 constitute the entire agreement and supersede prior communications concerning the transaction.