



WARRANTY

H₂O INNOVATION INC.
(the « **Supplier** »)

Subject to the terms, conditions and exclusions provided for below, this warranty applies to any product, part or equipment for the maple industry sold to a customer (the « **Customer** ») by the Supplier, directly or through an authorized distributor (the « **Equipment** »).

1. Warranty

- 1.1 Equipment. Subject to the limitations and exclusions provided in this warranty, the Supplier warrants to the Customer that the Equipment is free from manufacturing defects for a period of two (2) years (the « **Warranty Period** ») from the Warranty Commencement Date as defined in paragraph 1.3 below, only when the Equipment is used and operated in a safe manner, according to the instructions and operating conditions specified by the Supplier and in the normal use for which the Equipment is intended.
- 1.2 Labor. Labor related to the installation and repair of the Equipment is guaranteed by the Supplier for a period of one (1) year from the Warranty Commencement Date.
- 1.3 Warranty Commencement date: The « **Warranty Commencement Date** » means the date of the invoice issued to the Buyer for the Equipment.

2. Warranty service

- 2.1 Notice of Defect and return of the Equipment : In the event of a defect in the Equipment, the Customer must notify the Supplier by written notice as soon as possible within the Warranty Period, to inform Supplier of the alleged manufacturing defect, (the « **Notice of Defect** »). Any costs incurred for the return of the Equipment to the Supplier, if any, are the responsibility of the Customer, regardless of whether or not the Supplier confirms that the Equipment is defective.
- 2.2 Conditions of application. For this warranty to be applicable, the Customer must provide the Supplier, with its Notice of Defect, with the proof of purchase of the Equipment clearly indicating the Date of Purchase by the Customer, the description of the Equipment as well as the delivery date. The Customer must also have paid the full price of the Equipment to the Supplier or have obtained a financing plan approved by the Supplier.



- 2.3 Inspection. Following the receipt of the Notice of Defect, the Supplier, acting reasonably, shall inspect and determine, at its sole discretion, whether the Equipment has a manufacturing defect or not.
- 2.4 Non-defective Equipment. If the Supplier determines that the Equipment does not have a manufacturing defect, Supplier must explain its decision to the Customer and return the Equipment to the Customer. In such a situation, any costs incurred by the Supplier for the workforce and the return of the Equipment to the Customer, if any, shall be invoiced to the Customer.
- 2.5 Defective Equipment. If the Supplier determines that the Equipment has a manufacturing defect, the latter must replace or repair, at its discretion, the defective Equipment at no cost to the Customer. Furthermore, if only a portion of the Equipment is defective, the Supplier is only bound to replace or repair the portion determined by the Supplier to be defective.
- 2.6 Labor. In the event that the Warranty Period is still in force but the warranty for labor provided in paragraph 1.2 above has expired, all costs relating to labor, including repair and installation costs, shall be invoiced to the Customer.
- 2.7 Transportation. Any transportation costs incurred by the Supplier under this Warranty, including, without limitation, transportation to and from the Customer location to inspect, repair or install the Equipment, shall be invoiced to the Customer.
- 2.8 Defective parts. Any defective Equipment that has been replaced becomes the property of the Supplier.
- 2.9 No Warranty extension. No additional warranty or extension of warranty is given to the Customer following the repair or replacement of defective Equipment.

3. Exclusions and Limitations

This warranty is subject to the following exclusions and limitations.

- 3.1 Exclusions. This warranty does not cover the following:
- a) Any costs incurred to make the Equipment accessible for inspection, repair or replacement, including, travel costs.
 - b) Any costs incurred in returning the Equipment, whether defective or not, to the Supplier as well as any costs of returning non-defective Equipment to the Customer.
 - c) Any service call relating to equipment start-up at the beginning of the season or shutdown at the end of the season.

- d) If the Equipment is an evaporator, repair of the insulation and/or brickwork.
- e) If the Equipment is a vacuum pump, replacement of consumables for the maintenance of said pump.
- f) Parts, components and equipment manufactured or incorporated by any person other than the Supplier and not forming part of the Equipment at the time of sale to the Customer by the Supplier or those purchased from an authorized distributor of the Supplier; and
- g) Items requiring replacement on a regular basis under normal and foreseeable operating conditions of the Equipment.
- h) The mainline and the tubing that are covered by a separate warranty.

3.2 Limitation of liability. In no case shall the Supplier be held liable for any consequential, indirect, incidental or other related losses arising from the Equipment, whether defective or not, or for a warranty claim including, without limitation, any loss of use of the Equipment, any loss of production or profits, including when caused by the quality of maple products, any bodily harm, material damage or any damage caused to real estate.

3.3 General limitations. This warranty does not apply in any of the following situations:

- a) The serial number of the Equipment has been removed, modified or altered;
- b) The Customer fails to provide proof of purchase of the Equipment to the Supplier or to pay for the Equipment in full or in accordance with the financing plan, as provided for in paragraph 2.2 above;
- c) The Equipment is, in whole or in part, damaged by the Customer or by a third party as a result of negligence, improper or unsafe use of the Equipment for which it is not intended, improper use of products which have not been recommended by the Supplier or non-compliance with operating instructions, installation or repair recommendations, maintenance and/or storage guidelines;
- d) The Equipment is, in whole or in part, damaged as a result of an accident, fire, water damage, natural or human disaster not entirely attributable to a defect in the Equipment during the Warranty Period;
- e) The Equipment is, in whole or in part, damaged as a result of an electrical problem, including a poor electrical connection, an overload, power fluctuations or a poor

quality of electrical supply not entirely attributable to a defect in the Equipment during the Warranty Period;

- f) Repairs or modifications to the Equipment have been made by the Customer or by a third party that is not an authorized representative of the Supplier or by the use of parts other than those supplied by the Supplier or one of its authorized representatives.

3.4 Specific limitations to membrane filtration systems. If the Equipment is a membrane filtration system, this warranty does not apply in the following situations:

- a) The Equipment is, in whole or in part, damaged by the freezing of any quantity of water left in the Equipment;
- b) Use of the Equipment for processing of a liquid other than maple water;
- c) Dry operation of the Equipment;
- d) The Equipment has not been maintained in compliance with the manufacturer's recommendations.
- e) For the reverse osmosis, if the Customer does not provide documented evidence of its maintenance in line with the operations manual.

3.5 Specific limitations to evaporators. If the Equipment is an evaporator, this warranty does not apply in the following situations:

- a) In the case of wood evaporators, if a fuel other than wood fuel has been used in the Equipment or if a wood fuel that is painted, treated or otherwise contains chemicals, glue or any other agent has been used to operate the Equipment;
- b) In the case of oil evaporators, if a fuel other than No.2 fuel oil was used as fuel in the Equipment;
- c) The Equipment is damaged, in whole or in part, due to overheating or modification of a fan.

3.6 Specific limitations for vacuum pumps. In the event that the Equipment is a vacuum pump, this warranty does not apply if the Equipment is not installed in compliance with the manufacturer's recommendations, including water infiltration into the pump body during installation.

4. Miscellaneous provisions



- 4.1 No assignment. This warranty is for the sole benefit of the Customer and may not be assigned or transferred to a third party or to a subsequent purchaser of the Equipment.
- 4.2 Replacement cost. No warranty or other liability of the Supplier under this warranty may exceed the cost of replacing the defective Equipment.
- 4.3 Waiver of other warranties. This warranty is exclusive and replaces any other warranty, express or implied, including, but not limited to, warranties of merchantability and fitness for a particular purpose. In no case shall the Supplier be bound to any other provision than the provisions referred to herein.
- 4.4 Applicable laws. This warranty is governed by and construed by the laws of the province of Quebec and in Canada, applicable therein.
- 4.5 Contact details. For any requests or questions regarding this warranty, please contact the Supplier at:

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