BREAKERS & DRILLS NORTH AMERICA INC.
COMMERCIAL TERMS FOR PROFESSIONAL CUSTOMERS

STANDARD TERMS & CONDITIONS OF SALE

Equipment, Parts and Services

EFFECTIVE	**August 2026**	**ISSUED BY**	Breakers & Drills North America Inc.
APPLIES TO	Equipment, parts and services	**DOCUMENT**	BDNA-TCS-2026.08

QUOTE-SPECIFIC TERMS CONTROL. The accepted BDNA quotation or order acknowledgement controls pricing, currency, payment, delivery rule and named place, scope, and any project-specific commercial term. These Standard Terms apply to all other matters.

1. APPLICATION AND ORDER OF PRECEDENCE

These Standard Terms & Conditions of Sale (the “Terms”) apply to every quotation, order acknowledgement, invoice, sale, delivery, and supply of equipment, parts, and services (collectively, “Products”) by Breakers & Drills North America Inc. (“BDNA”) to a commercial purchaser (“Buyer”). Buyer terms that conflict with or add to these Terms are rejected unless an authorized BDNA representative expressly accepts them in a signed writing.

If documents conflict, the following order applies: (a) a mutually signed amendment or accepted BDNA quotation/order acknowledgement; (b) these Terms; and (c) other documents incorporated by reference. A product-specific warranty controls only warranty coverage and remedies.

2. PRODUCTS AND BDNA’S ROLE

BDNA supplies Hyundai Everdigm drill rigs, BD Hammers, related attachments and parts, and associated services. Products are supplied to the specifications stated in the accepted quotation and remain subject to availability and applicable OEM specifications. BDNA may not materially substitute quoted Products without Buyer approval where approval is required by the quotation.

3. QUOTATIONS, CURRENCY AND PRICING

- Prices are in the currency shown on the quotation (CAD or USD). A quotation is valid for the period stated in it or, if no period is stated, 30 days from issue.
- The price includes only the Products and charges expressly listed as included. Taxes, delivery, pickup, field service, commissioning, installation, permits, brokerage, and similar charges are excluded unless the quotation states otherwise.
- After acceptance, price or scope changes require a written change order, except for an adjustment mechanism expressly stated in the accepted quotation.

4. TAXES AND GOVERNMENT CHARGES

Buyer is responsible for applicable HST, GST, PST, sales or use taxes, duties, brokerage, and government charges unless the accepted quotation expressly includes them or Buyer provides a valid exemption certificate before invoicing.

5. ORDER ACCEPTANCE, DEPOSITS, CHANGES AND CANCELLATION

An order is binding only when BDNA issues written acceptance. Deposits are due as stated in the quotation and are non-refundable to the extent BDNA has incurred or committed costs. An accepted order may not be changed or cancelled without BDNA’s written approval. If BDNA approves a change or cancellation, Buyer is responsible for resulting OEM or supplier charges, restocking, freight, handling, administration, and other documented costs. Custom-configured or specially procured Products are non-returnable except as required by an applicable warranty or law.

6. PAYMENT AND CREDIT

Payment is due as stated on the quotation or invoice. Overdue amounts bear interest at 1.5% per month (18% per annum), or the maximum lawful rate if lower, from the due date until paid. Buyer must pay without set-off or deduction unless BDNA agrees in writing. If Buyer is overdue or BDNA reasonably determines that credit risk has materially increased, BDNA may suspend performance, withhold release, revoke credit, or require prepayment. Buyer is responsible for reasonable collection costs, including legal fees, to the extent permitted by law.

7. DELIVERY, TITLE AND RISK

- The delivery rule and named place stated in the accepted quotation or order acknowledgement control. If none is stated, delivery is EXW (Incoterms® 2020) the facility or release location identified by BDNA in writing.
- Risk of loss transfers in accordance with the quoted delivery rule. Buyer is responsible for transportation, cargo insurance, and unloading except to the extent the accepted quotation assigns those obligations to BDNA.
- Title remains with BDNA until the applicable invoice and all related charges are paid in full, to the extent permitted by law. BDNA may make partial deliveries and invoice them separately.
- If Buyer delays pickup or receipt after notice that Products are ready, BDNA may store them at Buyer's risk and charge reasonable storage and handling costs.

8. DELIVERY SCHEDULE AND EVENTS BEYOND CONTROL

Delivery and completion dates are good-faith estimates unless BDNA expressly agrees in writing that a date is guaranteed. BDNA is not liable for delay caused by an OEM or supplier, carrier, customs, labour disruption, severe weather, fire, accident, shortage, government action, epidemic, utility or system interruption, or another event beyond BDNA's reasonable control. BDNA will communicate a material delay and provide a revised estimate when reasonably practicable.

9. INSPECTION, SHORTAGES AND TRANSIT DAMAGE

Buyer must inspect Products promptly on receipt. Visible damage or shortage must be recorded on the carrier's delivery record and reported to BDNA in writing within five business days, with supporting photographs and documents. A concealed defect is handled under the applicable product warranty. Failure to provide prompt notice may limit BDNA's ability to pursue a carrier or supplier but does not eliminate rights that cannot lawfully be waived.

10. SITE READINESS, INSTALLATION AND COMMISSIONING

- Installation, field service, commissioning, training, and travel are excluded unless the accepted quotation expressly includes them.
- Buyer is responsible for safe site access, permits, utilities, lifting and support equipment, environmental conditions, and site readiness unless the quotation allocates a responsibility to BDNA.
- Commissioning must be performed or approved by BDNA or the applicable OEM where required. Unauthorized installation, recommissioning, modification, or adjustment may affect warranty coverage and performance.
- Commissioning confirms the documented condition and operation of the equipment at handover; it is not a guarantee of production rate, project output, or uninterrupted operation.

11. BUYER RESPONSIBILITIES AND EQUIPMENT USE

Buyer is responsible for trained and competent operators; compliance with manuals, safety instructions, laws, and site procedures; correct application and consumables; scheduled inspection and maintenance; accurate service records; and prompt shutdown and reporting when abnormal operation is detected. Equipment results depend on ground, site, operator, consumables, and maintenance conditions. Unless a signed performance guarantee states otherwise, BDNA does not guarantee production, penetration rate, fuel use, operating cost, or project results.

12. WARRANTY

Hyundai Everdigm drill rigs and capital equipment are covered only by the applicable OEM warranty policy identified in the quotation or delivery package. BDNA facilitates administration of claims, but eligibility, approval, remedy, and exclusions remain subject to that policy and, where applicable, OEM approval. BD Hammers and other Products are covered only by the applicable BDNA limited warranty or manufacturer warranty supplied or referenced for the Product. Parts and services carry a warranty only when stated in writing.

Warranty coverage does not extend to normal wear, consumables, misuse, improper operation or application, accident, contamination, unauthorized installation or modification, improper storage or maintenance, failure to follow service intervals, or use of non-approved parts or fluids, except where the applicable warranty expressly provides otherwise. The product-specific warranty prevails over these Terms on warranty coverage, claim procedure, exclusions, and remedy.

> **WARRANTY DOCUMENTS.** Buyer should retain the applicable warranty policy, commissioning record, inspection forms, maintenance records, and proof of purchase. Those documents form part of the claim record.

13. RETURNS

No Product may be returned without BDNA's written return authorization. Approved returns must meet the stated authorization conditions and be properly packaged. Unless the return results from BDNA's error or an approved warranty remedy, Buyer is responsible for return freight and applicable inspection, refurbishment, and restocking charges. Special-order, custom-configured, used, installed, damaged, or incomplete Products may be refused. Issuing a return authorization does not itself confirm a credit or warranty claim.

14. LIMITATION OF LIABILITY

To the maximum extent permitted by law, BDNA is not liable for indirect, incidental, special, punitive, exemplary, or consequential loss, or for loss of use, production, revenue, profit, opportunity, contract, data, or goodwill; downtime; standby or rental cost; or project delay, whether arising in contract, tort (including negligence), strict liability, or otherwise. BDNA's aggregate liability arising from a Product or service is limited to the amount paid to BDNA for the specific Product or service giving rise to the claim. Nothing in these Terms excludes or limits liability that cannot lawfully be excluded or limited.

15. SECURITY INTEREST

To secure all amounts owing to BDNA, Buyer grants BDNA a security interest in the Products and their proceeds and authorizes BDNA to make registrations under the Personal Property Security Act (Ontario) and comparable applicable law. The security interest continues until the secured amounts are paid in full. On default, BDNA may exercise remedies available under applicable law.

16. COMPLIANCE AND SAFETY

Buyer is responsible for permits, licensing, import and export compliance, workplace and mine-site safety, environmental requirements, and lawful end use of Products. Buyer must not remove or defeat safety devices and must make the equipment available for safety or warranty campaigns communicated by BDNA or the OEM.

17. GOVERNING LAW AND DISPUTES

These Terms and each transaction are governed by the laws of Ontario and the federal laws of Canada applicable in Ontario, without regard to conflict-of-law principles. The courts of Ontario sitting in Sudbury, Ontario have exclusive jurisdiction, and each party submits to that jurisdiction. The United Nations Convention on Contracts for the International Sale of Goods does not apply.

18. GENERAL

- The accepted quotation/order acknowledgement, these Terms, and incorporated documents form the entire agreement and replace prior discussions about the same transaction.
- An amendment or waiver must be in writing and signed by an authorized representative of the party granting it. A delay in enforcing a right is not a waiver.
- If a provision is unenforceable, it is severed or limited only to the extent necessary; the remaining provisions continue.
- Buyer may not assign the agreement without BDNA's written consent. BDNA may assign payment rights and may use qualified suppliers or subcontractors to perform obligations.
- Electronic signatures, counterparts, and electronic records are effective. Provisions that by their nature should survive completion, cancellation, or termination will survive.

BUYER ACCEPTANCE. Buyer accepts these Terms by signing or accepting a BDNA quotation or order acknowledgement, issuing a purchase order that refers to a BDNA quotation, paying a deposit, authorizing performance, or accepting delivery of Products.

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