



Canwest Tanks & Ecological Systems Ltd.

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Canada

PAYMENT TERMS FOR DESIGN-BUILD PROJECTS

This document outlines the payment terms applicable to design-build projects undertaken by Canwest Tanks.

1. General Provisions:

- All payments shall be made in Canadian currency.
- Payments must be made according to the schedule and percentages outlined below.
- Any deviations from this payment schedule must be mutually agreed upon in writing prior to commencement.

2. Payment Schedule:

a. Initial Payment – 35% of Total Project Value

- Amount: Thirty-five percent (35%) of the total agreed project value.
- Due: Upon receipt of a purchase order from the customer.

b. Second Payment – 25% of Total Project Value

- Amount: Twenty-five percent (25%) of the total agreed project value.
- Due: Upon approval of the engineered drawings by the client or the client's representative.

c. Third Payment – 40% of Total Project Value

- For projects not requiring commissioning: Forty percent (40%) of the total agreed project value due prior to the delivery of the project components or completion.
- For projects requiring commissioning: Thirty percent (30%) of the total agreed project value due prior to the delivery of the project components. The remaining ten percent (10%) is due upon successful commissioning of the project, provided that the commissioning is completed within 30 days after delivery. If commissioning does not occur within 30 days after delivery, the remaining 10% will be due 30 days after delivery.

3. Late Payments:

- If a payment is not received by its due date, Canwest Tanks reserves the right to halt work until the overdue payment is settled. Interest may be charged on overdue amounts at the rate specified in Canwest's Terms and Conditions.

4. Cancellation:

- In the event of project cancellation by the customer, Canwest Tanks reserves the right to retain or claim payment based on work completed up to the point of cancellation.

5. Dispute Resolution:

- Should any dispute arise regarding payment amounts, due dates, or other financial matters, both parties agree to engage in good faith negotiations to resolve the issue. A third-party mediator or arbitration process may be pursued if unable to reach a resolution.