

Standard Terms and Conditions

The following Terms and Conditions constitute a legal and binding agreement entered into by and between you, the client (“you”/“your”), and Paracel Laboratories Ltd. (“Paracel”/“we”/“our”/“us”). These Terms and Conditions, together with any documents and additional terms they expressly incorporate by reference govern all of your dealings with Paracel, work orders submitted to Paracel, services provided to you by Paracel, and your use of any and all analytical results and data produced and provided to you by Paracel.

1. Sample Reception

1.1. To request Paracel’s services, you must submit to us a properly collected sample accompanied by a fit-for-purpose Chain of Custody (COC) that contains the necessary information to carry out your particular requirements, including but not limited to:

- a. your contact information;
- b. a list of the submitted samples;
- c. the required analyses to be conducted;
- d. the TAT(turn around time); and
- e. your signature authorizing Paracel to proceed with the requested analyses.

1.2. Paracel reserves the right to refuse any samples for analysis, at its sole discretion, including but not limited to samples collected or stored in a manner that might compromise analytical results, samples of insufficient volume and those that may pose health and safety, contamination and/or environmental risks. Paracel also reserves the right to return unused hazardous samples to you or to dispose of such samples, in which case, disposal charges may apply.

1.3. Liability for lost or damaged samples remains exclusively with you, prior to Paracel’s receipt of such samples.

2. Submission Cut-offs, Priority Service and Holding Times

2.1. Paracel will use its best efforts to meet a requested turnaround time (the “TAT”).

2.2. Paracel’s standard TAT for a Certificate of Analysis is four (4) business days from the date upon which Paracel receives a sample, where reasonably possible and where the necessary analytical procedures for such sample(s) allow.

2.3. A sample is deemed to have been delivered to Paracel, and Paracel is deemed to be in receipt of your sample(s) on the date and at such time that (a) you deliver the sample to one of Paracel’s laboratories or depots; or (b) a Paracel representative collects the sample from your location. The foregoing is subject to the following exceptions:

- a. The TAT for all samples received at any of our depot locations on weekends, statutory holidays or past 3:00pm on a business day begins on the following business day;
- b. The TAT for all samples received at any of our laboratory locations on weekends, statutory holidays or past 5:00pm on a business day begins on the following business day, except as noted in Sections 2.3(c) and 2.3(d) of these Terms and Conditions;
- c. Samples requiring routine environmental analysis that are received at one of our microbiology/asbestos laboratories will be transported to one of our environmental laboratories for analysis. The TAT for such samples, if received on a weekend, statutory holiday or past 3:00pm on a business day, begins on the following business day;
- d. Samples requiring microbiology/asbestos analysis that are received at one of our environmental laboratories will be transported to one of our microbiology/asbestos laboratories for analysis. The TAT for such samples, if received on a weekend, statutory holiday or past 3:00pm on a business day, begins on the following business day; and
- e. In the case of a subcontracted analysis, the TAT begins once the subcontracted laboratory receives the sample(s) and can range between 5-15 business days, depending on the particular subcontracted laboratory and requested analysis.

2.4. “Priority Service” refers to the analysis of a sample completed faster than our standard TAT.

- a. To ensure priority TATs can be met, contact the laboratory prior to submitting your samples.

- b. Priority Service is subject to surcharges, as set out in Table 2.4.1 below, which are calculated as a percentage of the price of the work order at our standard TAT rate listed in our Fee Schedule, as amended from time to time, or as previously quoted.
- c. Regardless of the requested TAT, if Paracel determines, in its sole discretion, that a sample must be analyzed with a certain TAT to not exceed the sample's regulated holding time, additional fees may apply. You consent to Paracel proceeding with an analysis of a sample with Priority Service and to applicable surcharges without notice to you, where necessary, to meet a sample's regulated holding time.
- d. Where a requested Priority Service is not met by Paracel, surcharges will be reduced to reflect the actual TAT of the Certificate of Analysis.

2.4.1. Priority service options and applicable surcharges:

SURCHARGE RATES								
	IMMEDIATE	4 HOUR	24 HOUR	SAME DAY	1 DAY	2 DAY	3 DAY	4 DAY
Routine Environmental	-	-	-	200%	100%	50%	25%	0%
O. Reg. 558/00 - TCLP	-	-	-	-	200%	100%	50%	0%
O. Reg. 406/19 - mSPLP	-	-	-	-	-	100%	50%	0%
Asbestos / Mold	200%	150%	100%	-	50%	25%	15%	0%

3. Work Order Changes

3.1. Changes to work orders, including but not limited to altering the volume of work and changing the required analysis and/or the TAT, can be made upon agreement between you and Paracel in writing. Additional charges may apply.

4. Termination

4.1. You may terminate a work order at any time by notifying Paracel of your desire to terminate. You are responsible for compensating Paracel for any analysis initiated or completed at the time of the termination notice.

5. Fees and Payment

5.1. Quotes are based on our standard TAT, unless noted otherwise. Applicable taxes are added upon invoicing.

5.2. Charges may apply for media or sampling supplies borrowed and not returned to Paracel.

5.3. A credit application may be required to establish a credit limit. Updates to credit information may be requested annually or when required.

5.4. All data generated by Paracel is the property of Paracel until payment is received in full. Paracel reserves the right to withhold data or refuse future samples and work orders once a credit limit has been reached or payment terms are exceeded.

5.5. Payment terms are net 30 days, unless otherwise negotiated and agreed upon with an accompanied signed Paracel Payment Terms and Conditions document. Overdue accounts may be subject to interest, calculated and accrued monthly, and may be referred to a collection agency.

5.6. Payment can be made to Paracel by cheque, credit card or electronic funds transfer (EFT).

5.7. At Paracel's sole discretion, partial or full payment of the estimated cost of the requested services may be required before commencement of work.

5.8. Unused portions of samples will be stored for 2 months at no charge, after such time, the samples will be destroyed, and a disposal fee may apply. Longer storage times are available upon request and may be subject to additional charges.

5.9. Work order submissions pertaining to legal samples, adverse water quality incidents (AWQI) reporting, and weekend reporting will be subject to a surcharge.

5.10. You agree to provide complete disclosure of known or suspected hazardous substances at the time of delivery of the sample(s) to Paracel or at such time when a Paracel representative picks up the sample(s), failing which, you will be liable for all costs and damages sustained by Paracel as a result of such non-disclosure, including but not limited to damages for business interruption, contamination, damage to property and personal

injury. Disposal charges may apply to samples suspected of containing hazardous constituents, as defined by Ontario Regulation 347, as amended from time to time.

5.11. We reserve the right to adjust the prices set out in our Fee Schedule from time to time and for any reason, including but not limited to non-compliance with payment terms and for specialty projects resulting in sample matrix issues. Non-inflationary price adjustments may occur at any time (on 3 -month's notice) for certain tests whose costs to process have grown beyond inflationary adjustments for reasons including but not limited to, market changes, regulatory requirements, increased consumable or accreditation costs and other reasons beyond our control.

6. Limitation of Liability

6.1. Paracel will not be held responsible for the improper selection or use of sampling devices, even if we supply the device to the user.

6.2. Paracel analyzes samples in accordance with the applicable published procedures and methodologies but reserves the right to deviate from any such methodologies as necessary or appropriate based on Paracel's reasonable judgment, which deviations, if any, will be made on a basis consistent with recognized industry standards.

6.3. Analyses, interpretations and conclusions are prepared by Paracel with a commercially reasonable degree of care but cannot be guaranteed as correct or absolute. By using or sharing laboratory results provided by Paracel, you agree that Paracel's total liability in connection with these results, however arising, shall be limited to either (i) the compensation received by Paracel for the individual sample analysis in question or (ii) to Paracel repeating the services in question, provided that you shall be responsible for providing any additional samples necessary to repeat such services.

6.4. Paracel will use its best efforts to meet regulated sample holding times, provided sufficient capacity allows, but Paracel is not liable for any financial setbacks or for other damages or inconveniences to you or to third parties associated with exceeded holding times.

6.5 Paracel does not guarantee TATs or timeliness of results.

7. Indemnity

Except where such exclusions are prohibited by law, neither Paracel nor its parent, subsidiaries, affiliates or their respective directors, officers, employees, agents, service providers, contractors, licensors, licensees, suppliers or successors have any responsibility or liability whatsoever, and you agree to defend, indemnify and hold harmless the same with respect to any claims, liabilities, damages, judgments, awards, losses, costs, expenses or fees (including reasonable legal fees) sustained by you or by third parties including but not limited to, personal injury, pain and suffering, emotional distress, loss of revenue, loss of profits, loss of business or anticipated savings, loss of use, diminution in value, loss of goodwill or loss of data or for any consequential, incidental, indirect, exemplary, special aggravated or punitive damages, whether arising out of breach of contract, tort (including negligence, gross negligence and negligent misrepresentation), breach of privacy, your breach of these terms and conditions, your use of or inability to use or reliance on our services or any data or analysis results provided to you by Paracel, any websites linked to Paracel's website (such as third-party websites), any website content, materials, or information thereon or otherwise, regardless of whether such damage was foreseeable and whether or not you or the relevant third party has been advised of the possibility of such damages or had reason to know and notwithstanding the failure of any agreed or other remedy of its essential purpose.

8. Confidentiality

8.1. All analysis results, data, and information received by Paracel from you will be held in strict confidence unless the information is available to the public or Paracel is compelled by law to disclose the information.

a. Paracel reserves the right to use your personal information to contact and communicate with you for the purposes of conducting business. This includes contact to resolve questions regarding work order submissions, to relay analysis results or to seek payments.

b. Personal information collected by Paracel is only to be used by Paracel employees in fulfillment of their roles and responsibilities. Under no circumstances does Paracel disclose or sell personal information to third parties.

9. Assignment

9.1. Your rights, interests and obligations under these Terms and Conditions may not be assigned without the prior written consent of Paracel. Paracel reserves the right to assign its rights, interests and obligations under these Terms and Conditions at any time, with notice.

10. Force majeure

10.1. Paracel shall not be liable or responsible to you, nor be deemed to have defaulted under or have breached these Terms and Conditions for any failure or delay in fulfilling or performing any of these Terms and Conditions or in providing its services to you when and to the extent that such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Paracel, including but not limited to, acts of

God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities, terrorist threats or acts, riot or other civil unrest, national emergency, revolution, insurrection, epidemic, pandemic, provincial or municipal emergency orders, lock-outs, strikes or other labour disputes, restraints or delays affecting carriers, inability or delay in obtaining supplies of adequate or suitable materials, telecommunication breakdown or power outage. Notwithstanding the foregoing, this Agreement shall continue in full force and effect.

11. Waiver

11.1. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from these Terms and Conditions operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

12. Severability

12.1. If any term or provision of these Terms and Conditions is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of these Terms and Conditions or invalidate or render unenforceable such term or provision in any other jurisdiction.

13. Entire Agreement

13.1 These Terms and Conditions, together with our Payment Terms and Conditions, constitute the sole and entire agreement between you and Paracel regarding our services and supersede all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, regarding such subject matter.

14. Governing Law and Jurisdiction

14.1. These Terms and Conditions shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The Parties hereby irrevocably attorn to the non-exclusive jurisdiction of the Courts of Ontario with respect to any matter arising under or related to this Agreement.

15. Time of the Essence

15.1. Time shall be of the essence of every provision of these Terms and Conditions.