

SALES & CREDIT POLICIES

1.0 GENERAL TERMS AND CONDITIONS

- 1.1 The quotation or purchase order acknowledgment on the front of this form is subject to the following terms and conditions. North Water Paddle Sports is hereinafter referred to as SELLER and the other party is referred to as CUSTOMER.
- 1.2 Any deviation from these terms and conditions shall not be binding unless acknowledged in writing by SELLER'S authorized representative.
- 1.3 A sale resulting from a quotation shall be subject to the terms and conditions stated herein.
- 1.4 A waiver or a breach of any term or condition shall not be deemed a waiver of similar terms or conditions in the future.
- 1.5 These Sales & Credit Policies shall supersede any terms and conditions contained in CUSTOMER'S purchase order.
- 1.6 The paragraph headings used herein are for reference only and shall not be used when interpreting these Sales & Credit Policies.

2.0 ACCEPTANCE OF ORDERS

- 2.1 All orders received are subject to the following terms & conditions:
- 2.2 For new accounts, Application for Dealership and / or Credit required prior to shipping initial order.
- 2.3 FOR CANADA and USA ACCOUNTS ONLY: Initial orders are 100% Prepaid, or as per negotiation. All other accounts must be in good credit standing with no past due invoices.
- 2.4 We reserve the right to refuse any order.
- 2.5 Orders are all subject to our ability to deliver.
- 2.6 All orders must be sent through Buyer's Regional Sales Representative or to faxed to 604-264-0821 or emailed to northwater@northwater.com with proper stock names and SKU numbers as outlined in 2007 Dealer Package.
- 2.7 Non-Pre-Season Initial Orders: The minimum initial order for all retail outlets with storefront locations is \$500.00, or as negotiated with SELLER. Orders less than \$200.00 thereafter will be subject to a \$20.00 handling fee at SELLER'S discretion.

3.0 CREDIT APPROVAL

- 3.1 Terms stated herein are subject to credit approval.
- 3.2 Credit may be established by submitting to our office a completed and duly signed authorized credit form by an authorized person representing the applicant. Please allow a minimum of fourteen (14) days for credit approval. We will advise you of your credit limit upon approval. Please note that any and all approved credit is subject to periodic review and adjustment as necessary. North Water Paddle Sports reserves the right to deny credit to applicant without explanation.
- 3.3 If CUSTOMER fails to make payments in accordance with SELLER'S terms then SELLER may defer further shipments until such payments are made or, at SELLER'S option, cancel unshipped balance of order and seek other remedies in equity or law.
- 3.4 Unearned discounts, those taken in excess of the discount period, or out of terms will be charged back, and may result in loss of credit and discount privilege.

4.0 PAST DUE ACCOUNTS

- 4.1 Accounts with invoices outstanding beyond forty-five (45) days from date of invoice will be placed on "CREDIT HOLD". All further shipments will be withheld until account is brought to current standing. Accounts which remain in arrears beyond sixty (60) days from date of invoice are subject to credit review, including having all credit privileges revoked.

FOR CANADA and USA ACCOUNTS ONLY: Initial orders are 100% Prepaid, or as per negotiation.

5.0 SHORT SHIPMENT

- 5.1 To ensure accuracy, SELLER'S shipping procedures include a verification step. In the event CUSTOMER is short shipped, the same MUST be reported to SELLER'S Accounting Department within five (5) working days of receipt of goods. Upon verification of the claim, a credit adjustment will be issued. Deductions from payment will not be allowed unless accompanied by authorized credit adjustments.

6.0 RETURNS and CLAIMS

- 7.1 No refunds after 30 days.
- 7.2 Any claim for errors or omissions must be reported to SELLER in writing within five (5) days from receipt of goods.
- 7.3 Returned goods will not be accepted without SELLER'S authorization, and may be subject to a 15% restocking fee. Custom goods may not be returned.
- 7.4 Any damaged freight claim must be made directly to carrier.
- 7.5 Any good(s) returning from USA to Canada for claims must be shipped US Postal Service Ground only with "**Canadian Manufactured Goods Returning To Canadian Manufacturer**" plainly and visibly on the package.
- 7.6 Any good(s) returning to North Water for Return or Claims must be accompanied by the appropriate Return Authorization Number provided by SELLER or SELLER'S authorized representative.
- 7.8 Any good returned for restocking must be in original packaged state and free of Buyers marking and in saleable condition.

7.0 PRICES AND PRODUCT

- 7.1 Prices are subject to change without prior notice.
- 7.2 SELLER reserves the right to change materials and features of the products as well as the products offered at any time.

8.0 TAXES

- 8.1 SELLER'S prices are exclusive of taxes shipping and any duties. All Taxes extra.

9.0 PAYMENT TERMS

- 9.1 Unless otherwise stated, terms are net thirty (30) days from date of invoice. Cash discounts, if any, shall NOT be allowed on taxes, freight charges, returns or credit memo.
- 9.2 Please pay from invoice.
- 9.3 All discounts and freight allowances are void if invoice is not received by due date.
- 9.4 Credit Card payment may not be used on terms equal to or greater than net 15.
- 9.5 A 2% per month interest/service charge will be added to all past due accounts please refer to Provision 4.1 for additional information. All interest/service charges will be invoiced separately.
- 9.6 Returned cheques (NSF, etc) and COD refusals are subject to a \$50.00 service charge.
- 9.7 Preseason Order adjustments reducing individual order dollar value greater than 15% will result in loss of discount.

10.0 COLLECTIONS

- 10.1 All accounts that remain in arrears beyond sixty (60) days from date of invoice are subject to collection proceedings. If payment is being withheld for any reason such as disputes or special terms, our credit office must be notified in writing within twenty (20) days from date of invoice. We reserve the right to use whatever means of collection we deem necessary and all charges and costs for any and all collection proceedings will be assessed to the delinquent account.

11.0 DELIVERY

- 11.1 Delivery dates are quoted in good faith, but are not guaranteed. SELLER cannot assume any risk or liability for delay or non-fulfillment of shipments due to acts of God, war, strikes, breakdown, fires, and government orders, or other causes beyond SELLER'S control.

12.0 SHIPPING

- 12.1 CUSTOMER should specify freight carrier and any value declarations. Lacking such instructions SELLER shall use discretion without incurring any liability therefrom.
- 12.2 All orders are shipped F.O.B. (Vancouver, BC) for Canadian and US customers.
- 12.3 All orders not indicating carrier shipped at SELLER'S best discretion, or as negotiated between SELLER and BUYER. Charges to be added to invoice.

13.0 ERRORS and OMISSIONS

- 13.1 SELLER reserves the right to correct clerical errors & omissions.