

Terms and Conditions

These Terms and Conditions apply to every order placed with Rekon Solutions Inc. (Rekon). We're passionate about our customers and making sure that you're happy. The following sets out the terms and conditions that apply to your order in what we hope is a straightforward and customer friendly way.

Our Contract with You

When you place an order, you are offering to buy drone services from Rekon Solutions Inc, and we will send you an order acknowledgement by confirming we have placed your project in "Rekon's Project Schedule". However, your order will only be accepted by Rekon once your drone services have been delivered to you. Until then we can decline to supply the goods and services – we will try to ensure that this never happens but we do, however, reserve the right not to fulfill your order for any reason if, for example, we have made an error on the price or similar or we simply can't deliver the service (see section Limitation of Liability, Weather, Force Majeure, Act of God and Other Constraints). In the event of these circumstances, we will refund you any price you've paid to us minus direct travel expenses already incurred (if applicable).

Please note that we reserve the right not to accept an order for any reason and we won't be liable to you or anyone else in these circumstances. We also reserve the right to change these terms and conditions without prior notice, provided that any change will not affect any purchases you have made before the change is implemented.

Quotations

Written quotations will be supplied for all work. They are required to avoid errors and to ensure your expectations are met. We may make changes to your requests if any flight operation could risk the safety of the equipment, people, property or violate any laws. The quotation will include costs for drone services reasonably achievable within the amount of time agreed. It will include preparatory work, travel costs, documentation, survey control or tie-in, flight operations, post-processing work and digital delivery. The quotation will reflect your proposed use for the data being collected.

Normally we will not change our charges and services; however, we may change them at any time, and we will inform you beforehand. We will not be liable to you or anyone else for any modification, price change, suspension, or discontinuance of a service.

All orders for drone services are subject to availability. We will inform you as soon as possible after receiving an order if, for any reason, the services you have ordered cannot be delivered or are subject to any undue delay.

Safety Regulation and Privacy is paramount to the Rekon team. Remotely Piloted Aircraft Systems (RPAS) operations will adhere to Transport Canada regulations as well as our internal risk assessment and management guidelines. The flight operations manager will evaluate the area to be flown assuring airspace limitations are taken into consideration prior to planning the flight and they will obtain authorizations as applicable. RPAS operations will be performed under the direction of an experienced Certified Remote Pilot in Command (RPIC). If required, a Visual Safety Observer (VO) will be present to monitor aircraft in-flight and notify PIC of hazards during the flight (if applicable).

Permissions

During the project mission, we practice drone operations in a responsible and neighborly manner, being careful not to harass or disturb people's reasonable expectation of privacy. This means that depending on the planned flight parameters, Rekon may require landowner notification/permission before conducting drone flights. In our experience it is better to inform property owners and/or neighbors of drone operations and their purpose beforehand to avoid potential conflicts on site. This may be in the form of door-to-door notifications (verbal or notification bulletin), email or telephone notifications.

If Rekon must perform notifications, this cost will be identified on the quotation ahead of time. Obtaining these permissions or notifications can be done by the client if they wish to do so rather than have Rekon perform these notifications. If the project has a Public Relations Representative, this notification could be sent out to the community by them.

Ordering Drone Services from Rekon Solutions Inc

Orders are placed for our drone services by returning a signed copy of the Estimate/Quotation to Rekon Solutions Inc. By signing this quotation or referencing quotation number in a purchase order you are agreeing to the scope-of-work, general provisions, payment terms and permission for Rekon to access the property as the property owner or on behalf of the property owner.

Scheduling, Availability & Standby Time

Upon receipt of a signed copy of the estimate/quotation, Rekon will provide the next nearest available date to start the project and confirm the project has been added to Rekon's Project Schedule, thus confirming order acknowledgement.

The Project Start Date will be subject but not limited to weather conditions (rain, snow and/or wind above 50kph), road restrictions, forest fires, flooding, or Force Majeure. If the project start date is delayed Rekon will notify you of these changes and confirm the next availability in Rekon's Project Schedule.

For all projects beyond 200km travel, Rekon will require Authorization for Mobilization by the client or an authorized representative prior to travelling to site. This is to authorize the travel expenses incurred in the event that operations cannot be performed due to weather or unforeseen circumstances, and a return trip is necessary to complete on-site operations.

In the event that operations on site cannot be performed due to weather or other unforeseen circumstances, communication with Rekon and the client or an authorized representative will be necessary to decide if a return visit is more economical or if Rekon should remain on standby time for an additional fee of \$250/hr.

Change Requests

Revisions or change requests beyond Project Description and Scope described in the Estimate/Quotation may incur additional fees and require a signed change order.

Drone LiDAR Mapping Limitations

LiDAR has limitations in what it can and cannot do. For instance:

- LiDAR does not capture water (ponds, puddles, etc), it will be an area in the scan where there will be little to zero points returned or captured.
- The LiDAR equipment is not waterproof. Rekon does not perform LiDAR operations in the rain and will land immediately if signs of precipitation are on the immediate forecast.
- LiDAR cannot penetrate snow. However, with the right snow conditions LiDAR will capture points on the snows surface. Note: It is not advisable to assume that snow cover will be uniform, so keep that in mind when scheduling LiDAR acquisition in areas with possible snow cover.
- Accuracy is directly affected by the distance from the ground. Flying lower will take longer. Flying higher will reduce accuracy.

Drone Photogrammetry Mapping Limitations

Photogrammetry, or Ortho Mapping, is the science of obtaining reliable measurements from photographs and digital imagery. The output of the photogrammetric process is often Orthomosaic maps. Since Ortho Mapping is reliant on photos, it has its own limitations:

- Has difficulty capturing moving surfaces or objects since photogrammetry relies on matching features across multiple images. (ie. trees and vegetation especially)
- Not possible in the absence of light. It cannot project its own light source which makes it difficult to take photos when the source of light is low.
- Rainfall or snowfall may reduce accuracy.
- Accuracy is directly affected by the distance from the ground. Flying lower will take longer. Flying higher will reduce accuracy.
- Requires Ground Control Points (Surveyed GCP targets) distributed throughout the target area to verify accurate Orthomosaic data. This increases time on site and requires distributed access.

Survey Control

Rekon Solutions Inc. does **not** represent themselves to be **licensed surveyors** in any State or Province.

For every project Rekon establishes a base control network on site, or ties into any existing survey on site provided the client notifies prior or while Rekon is on site. Rekon establishes a base control network by installing a survey pin or monument in an area of acceptable GPS view of the sky, setting up a tripod and observing the satellite constellation for a minimum of 2hrs or as long as possible while on site. This position is then "Precise Point Positioning" (PPP) corrected using CSRS-PPP provided by Natural Resources Canada.

It is also Rekon standard operating procedure to leave behind at least two Check Points (CP's) for future "Tie-in" to accompany the Base Pin/Monument. Further survey includes observing GPS positions for LiDAR Targets and Photogrammetry Ground Control Points (GCP Targets) as required along with Ground Truthing measurements of hard surfaces for quality control and to produce a quality report.

Post-Processing Services

Once data collection is complete and the satellite constellation for the GPS survey has matured (usually 2-7days), Rekon can begin post processing the LiDAR and/or Photogrammetry data. This activity will be identified on the estimate and the deliverables will be outlined in the Project's Operations Details Sheet. All LiDAR and Photogrammetry data will be checked for quality against the Survey Control and GCP/Laser Targets and will be outlined in the LiDAR Quality Report.

Data Delivery & Turnaround

Rekon strives to deliver the final data deliverables for the project within 10-14 Business Days from date the drone data was collected. Emailed delivery will provide a shareable SharePoint link where all the projects' deliverables will be accessible for download for 30 days.

Data Storage

The project data will be added to Rekon's Library and the client will own an unrestricted copy. Rekon will store the project data on our servers for 30 days after the delivery email. After these 30 days, the project data and deliverables will be moved to offline storage for a minimum of 1 year. After which backup data may be destroyed to make room for newer data.

Please always backup the delivered data for redundancy. It is the client's responsibility to download the delivered data within the 30 days before the SharePoint link expires. However, Rekon can retrieve data from offline storage within the 1 year at the client's cost.

Reproduction Rights, Copyright and Licensing.

All original collected data remains the property of Rekon. We grant you a non-exclusive licence to use the commissioned material in perpetuity with the following conditions:

- Limited Reproduction Rights passes to the client on full settlement of the final invoice. This allows reproduction for all uses stated on the quotation. By default, and in the absence of any stated use, this will be 'General Marketing'.
- Unless agreed in advance, use of the data by any third party (including, but not limited to, newspapers, magazines, book publishers, television, film, and the Internet) will only be granted following written permission from us. This will incur a negotiated Reproduction Fee.

Payment Terms

Please make all checks payable to Rekon Solutions Inc. Email money transfers can be sent to rekonsolutions@outlook.com

For all service projects valued at less than \$10,000CAD:

- 100% payment is due within (30) days from the date of invoice.
- If paid within 30 days, please proceed to pay the invoice amount with the 7.5% discount applied, as shown in the estimate.
- If the invoice is not paid within 30 days, please proceed to pay the full invoice amount excluding the 7.5% discount.
- Failure to pay after 60 days of the invoice date will result in a late fee of 7.5% applied to the invoice.

For all service projects valued at \$10,000CAD or greater:

- 20% payment is due prior to mobilization
- 30% payment is after data collection
- 50% payment is due within (30) days from the date of invoice.
- Failure to pay after 60 days of the invoice date will result in a late fee of 7.5% applied to the invoice.

For all service projects requiring Rekon to hire subcontractors:

- 50% payment is due prior to mobilization
- 50% payment is due prior to data delivery

New or used products being purchased from Rekon require 100% payment prior to shipment.

Cancellation by Rekon Solutions Inc

If we cannot fly due to adverse weather conditions or mechanical failure, and the flight cannot be rescheduled, we will refund everything paid for from the time the cancellation occurs. Costs incurred prior to the affected day such as site visits and meetings are excluded and remain due for payment. If we cannot fly due to reasons that only become evident once on site or for reasons that we were not advised of beforehand, then Rekon's incurred costs such as preparatory work and travel costs will remain due for payment.

Cancellation by the you

In respect of any order cancelled by you within 5 full working days of the Project Start Date, you shall be liable to pay to us a cancellation charge equal to any preparatory work done prior to cancellation. If any costs have been incurred by us before a written cancellation, these costs will remain due for payment as well.

Limitation of Liability, Weather, Force Majeure, Act of God, and Other Constraints

If the work could not be completed due to reasons caused by the client (e.g., but not limited to, lack of access or unscheduled site activity etc), all personnel costs and travel costs incurred will remain due for payment.

We will always try to complete the assignments on the date scheduled. However, due to weather and other operational constraints, we cannot guarantee completion on or by any specific date. We cannot be held responsible for any missed publishing or other deadlines or any consequential costs. We do not accept liability for errors resulting from incomplete or inaccurate instructions from the client or representative, nor for delays or restrictions caused by Air Traffic Control, Transport Canada, the Police, or similar bodies.

The following are limitations of our liability to the client or representative:

- *In no event shall we be liable to the customer for lost profits, or special or consequential damages, even if we have been advised of the possibility of such damages.*
- *Our total liability under this contract for damages, costs, and expenses, regardless of cause, shall not exceed the total amount of fees paid to Rekon under this contract.*

We accept no liability for delay or non-fulfilment of any term of the contract caused wholly or in part by "force majeure", which shall include war, strikes, pandemics, lockouts, accidents, fire, scarcity of materials or any other causes not within our direct control.

Confidentiality

During the term of this contract and thereafter, we will use reasonable care to prevent the unauthorised use or dissemination of your confidential information. Reasonable care means at least the same degree of care we use to protect our own confidential information from unauthorised disclosure. Confidential information is limited to information clearly marked as confidential or disclosed orally as confidential. Confidential information does not include information that:

- *We knew before the customer disclosed it*
- *Is or becomes public knowledge through no fault of us*
- *We obtain from sources other than the customers who owe no duty of confidentiality to the customer.*

Taxes

By law Rekon must charge Goods and Services Tax (GST) for its services. Our charges do not include VAT. If we are required to pay any value added taxes based on the services provided under this agreement, the taxes shall be billed to you. We shall not pay any interest or penalties incurred due to late payment or non-payment of such taxes by you.

Legal Fees

If any legal action is necessary to enforce this agreement, we shall be entitled to reasonable legal fees, costs, and expenses. Under no circumstances, shall we be liable for any legal fees, costs, or expenses that you incur.