

PURCHASING TERMS & CONDITIONS

1. **AGREEMENT & ACCEPTANCE:** These Purchasing Terms and Conditions are part of the Order (hereinafter, "Agreement") and shall control and govern all transactions between Supplier and Buyer, whether under subsequent verbal and/or written requests, unless subject to an express, duly executed agreement (which is not a pre-printed form) for the particular subject matter or upon Supplier shipping the Goods or otherwise commencing performance, whichever occurs first. This Agreement, together with the specifications, drawings and other requirements specified herein or in a Buyer purchase order, constitutes the entire agreement between the parties, and all prior negotiations and proposals related thereto are superseded and of no effect. Any written confirmation of this Agreement by Supplier containing additional or different terms from this Agreement shall be of no effect, unless Buyer, after receipt of notice, expressly agrees, in writing, to such additional or different terms. Supplier shall give Buyer immediate notice if it discovers any conflict or ambiguity between provisions of this Agreement or any of the specifications, drawings or other documents referenced therein.

2. **DEFINITIONS:** "Buyer" means the entity on the face of this Order, whether acting on its own behalf or as agent for one of its affiliated companies. "Buyer Group" shall include Buyer, its parent or affiliated companies, and clients and their respective officers, directors, employees, contractors, subcontractors, vendors [except Supplier], invitees, licensees, agents, representatives, heirs, successors and assigns. All rights, benefits and remedies given by this Agreement to Buyer, including but not limited to the benefit of any warranties, shall be deemed to also be for the express benefit of the client of Buyer. "Supplier" means the entity executing this Agreement with Buyer or providing Goods to Buyer. Supplier Group shall include Supplier, its parent or affiliated companies, and their respective officers, directors, employees, clients (other than Buyer), subcontractors, vendors, invitees, licensees, agents, representatives, heirs, successors and assigns. "Claims" shall mean all claims, losses, damages, expenses causes of action, events, suits, judgments and liability of every kind, including without limitation all expenses of litigation, court costs and reasonable attorney's fees arising from this Agreement or the Goods provided hereunder. The term "Goods" includes the equipment, materials, work or services, including, without limitation, design, delivery, installation, inspection and testing required be furnishing or performing in connection with the Goods. "Order" means the Purchase Order that is issued and where these terms and conditions are referenced and have been acknowledged by Supplier.

3. **PRICE:** The price for the Goods supplied under this Order shall be the price shown on the face of this Order. It is fixed and it is not subject to adjustment for escalation. The price includes all taxes and duties to the specified delivery point, proper packing and loading and securing the Goods on the carrier's equipment at the shipping point. Buyer's count shall be final and conclusive on shipments not accompanied by Supplier's itemized packing list.

4. **PAYMENT:** Supplier's performance under this Agreement will not be considered complete nor payment made until Buyer is in receipt of all Goods specified in the quantities ordered and all other properly completed documents, including any required certifications, drawings and bills of lading. Buyer may withhold payment, without loss of its right to a discount, until Supplier meets all requirements set forth herein. Payment will be due within the time period set out on the face of this Order or if none stated, then, net 75 days following receipt and acceptance of the Goods and receipt of Supplier's invoice. All taxes and duties arising as a consequence of the performance of Supplier's business or the sale of the Goods or; the importation of the Goods or component parts thereof, prior to delivery to Buyer, other than those expressly undertaken by Buyer are for the account of and the responsibility of Supplier. Buyer shall not be liable for any such taxes or duties or securities that are or may become payable, and Supplier shall defend, indemnify and hold harmless Buyer for Supplier's failure to pay same. The terms taxes and duties shall mean all fees or charges imposed, assessed or levied by any governmental or other authority and shall include, but shall not be limited to, property, sales, use taxes, royalties, value added and excise taxes or other charges of a similar nature, customs or other duties, harbour and port dues, demurrage, wharfage, pilotage, stevedoring, customs agent fees and other such charges and other fees. The provisions of this Article shall continue after termination of this Agreement.

5. **TITLE:** Supplier warrants good title to all Goods, free and clear of any and all liens, restrictions, reservations, security interest, encumbrances and

claims of others. Title to all Goods shall pass to Buyer on the earlier at a) delivery to Buyer's specified delivery point, or b) payment in whole or part. Irrespective of the earlier passage of title, risk of loss shall not pass to Buyer until physical delivery of the Goods has been made to Buyer at Buyer's specified delivery point.

6. **WARRANTY & REJECTION FOR NON-CONFORMITY:** Supplier warrants that all Goods will meet the specifications, drawings and other requirements of this Agreement, will be of new materials, first-class workmanship, free from defects in design, workmanship and material and fit for the purpose intended or represented. If within 18 months from date of receipt or within 12 months from date of use, whichever occurs first, Buyer discovers any breach of any warranty as to the Goods, then Supplier shall promptly repair or replace the Goods in question after Buyer's written notice of breach, without cost to Buyer. If Supplier fails, after 7 days' notice, to promptly proceed with the repair or replacement of the defective Goods, Buyer may repair or replace such Goods and charge all related costs to Supplier without voiding the warranties herein. In addition, if emergency repairs are required not allowing time for Supplier to make such repairs, Buyer may nevertheless proceed and make such repairs or replacements and charge the cost to Supplier. Supplier warrants for a period equal to the end of the initial warranty period, to correct defects in the Goods that Supplier has repaired or replaced. Buyer shall have the right to inspect the Goods at any time. Buyer's failure to inspect Goods shall not affect Buyer's right to reject non-conforming or defective Goods or constitute acceptance of the Goods if Buyer reasonably determines that all or a portion of the Goods are non-conforming.

7. **INDEMNITY:** SUPPLIER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD HARMLESS BUYER GROUP FROM AND AGAINST ALL CLAIMS, FOR INJURY TO, SICKNESS OR DEATH OF ANY MEMBER OF SUPPLIER GROUP OR FOR DAMAGE TO PROPERTY OF ANY MEMBER OF SUPPLIER GROUP, ARISING OUT OF OR IN CONNECTION WITH THE WORK DONE BY SUPPLIER UNDER THIS AGREEMENT. SUPPLIER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS BUYER GROUP AND USER OF THE GOODS FROM AND AGAINST ANY CLAIMS IMPOSED ON, INCURRED OR ASSERTED AGAINST BUYER GROUP ON ACCOUNT OF BODILY INJURY OR DEATH OR PROPERTY DAMAGE OR DESTRUCTION, OR RESULTING FROM ANY ALLEGED DEFECT IN THE GOODS, WHETHER LATENT OR PATENT, INCLUDING WITHOUT LIMITATION ALLEGEDLY IMPROPER CONSTRUCTION OR DESIGN, OR FROM THE FAILURE OF THE GOODS TO COMPLY WITH SPECIFICATIONS OR WITH ANY EXPRESS OR IMPLIED WARRANTIES OF SUPPLIER, OR ARISING OUT OF THE ALLEGED VIOLATION OF ANY STATUTE, ORDINANCE, ADMINISTRATIVE ORDER, RULE OR REGULATION CONNECTED WITH THE MANUFACTURE OR SALE OF ANY GOODS TO THE EXTENT CAUSED BY SUPPLIER. FOR THE PURPOSES OF THIS PARAGRAPH, "GOODS" SHALL BE DEEMED TO INCLUDE ANY PACKAGING AND ANCILLARY SERVICES SUPPLIED BY SUPPLIER.

8. **PATENT INDEMNITY:** Supplier shall defend, indemnify, and hold Buyer Group harmless from and against any claim, suit or liability based on a claim that the manufacture, use or sale of any Goods, or any part thereof supplied, constitutes infringement of any patent, trademark, copyright or other proprietary right of others. The foregoing sentence shall not apply to any Goods, or any part thereof, to the extent of being manufactured to designs furnished or required by Buyer.

9. **SCHEDULE/DELAYS:** Except as provided below, Supplier shall complete its obligations pursuant to this Agreement by the delivery dates specified (or within 7 days of Buyer's written demand after a reasonable time has elapsed if no delivery date is specified in the Agreement). Delays in Supplier's performance or delivery due to defaults of Buyer in meeting its obligations under this Agreement or force majeure occurrences such as acts of God, or, strikes or other similar causes beyond Supplier's control, which Supplier could not have reasonably prevented or foreseen, shall be excused. In such event, Supplier shall promptly notify Buyer of any such delay and at no additional cost to the Buyer, Supplier shall take all reasonable steps to avoid or mitigate the effects of such delay. The date of delivery or of performance will be extended for a period equal to the duration of the delay, but Supplier shall not be entitled to any additional compensation for such delay. In the event such force majeure delays delivery more than forty five (45) days from any scheduled delivery date, Buyer shall have the right to cancel the Agreement or any part thereof without any liability. Where the delay in is not excused by a force majeure

occurrence or Buyer's default, then the failure of Supplier to deliver the Goods by such specified delivery date or within 7 days of Buyer's notice if no such delivery date is specified, shall permit Buyer to cancel this Agreement or any part thereof without cost to Buyer. Supplier shall be liable for all Claims as a result of such breach.

10. **CHANGES:** Buyer shall have the right to make changes in the requirements for the Goods. If such changes affect either the delivery date or price of the Goods, an equitable adjustment to the price and/or delivery date shall be mutually agreed between Buyer and Supplier to reflect such change. Supplier shall continue work during any discussion concerning such change and shall implement such change if directed to do so in writing by Buyer. Additional compensation or changes to the delivery date shall only be made if agreed to in writing by Buyer. If Supplier believes a change has been made, Supplier shall give Buyer notice of such change within 7 days after it has occurred, failing which it shall be deemed that Supplier has waived any claim for an adjustment in price or delivery time for the Goods.

11. **TERMINATION:** In the event Supplier does not correct or, if immediate correction is not possible, commence and diligently pursue correction of any default of Supplier under this Agreement, within 7 days after written notice by Buyer of such default, Buyer may, by written notice to Supplier, immediately terminate this Agreement, without prejudice to any rights or remedies which Buyer may have. In the event of such termination Buyer may take possession of all Goods and complete the performance of this Agreement by such means as Buyer selects and Supplier shall be responsible for any additional costs incurred by Buyer in doing so. In addition to the foregoing, Buyer reserves the right to terminate this Agreement for its convenience at any time for any reason on written notice to Supplier. In such event, Supplier will be paid for all materials or services authorized and satisfactorily performed or received prior to said termination plus the reasonable cost incurred by Supplier in terminating the order.

12. **ASSIGNMENT:** Supplier shall not assign any of its obligations under this Agreement without the prior written consent of Buyer. Buyer shall have the right to assign this Agreement to Buyer's related companies or Buyer's client, without the consent of Supplier.

13. **AUDIT:** The Buyer shall have the right to audit Supplier's books and records, including but not limited to business entertainment expenses at all reasonable times during the continuation of this Agreement and for a period of five years thereafter, for the purpose of auditing and verifying, the provisions of Article 20 and that the charges or costs presented by Supplier to Buyer for payment are in accordance with this Agreement.

14. **CONFIDENTIALITY:** All data and information acquired directly or indirectly by Supplier from Buyer relating to this Agreement or in connection with the performance of this Agreement, excluding information or data in the public domain through no default of Supplier, shall be held strictly confidential and not be reproduced or used for any purpose unrelated to the Agreement or disclosed to a third party without Buyer's written consent. As a result of Supplier's work under this Agreement, Supplier or its employees may develop information, data and know-how, including reports, solutions and interpretations. The information, data and know-how developed by Supplier or its employees under this Agreement are the sole property of Buyer and will be considered as works made for hire.

15. **INSURANCE:** Supplier shall procure and maintain at its expense the following insurance coverages and exhibit on demand, (a) certificates of comprehensive general liability insurance and employers liability insurance for such amount as may be agreed between the parties but in any event not be less than US\$1,000,000 in each case and (b) certificates of excess liability insurance for such amount as may from time to time be agreed between the parties but in any event not be less than US\$4,000,000 per occurrence.

16. **MECHANIC'S LIEN:** Supplier agrees to waive all rights of mechanic liens against the property of Buyer Group and further agrees to hold harmless Buyer Group from any mechanic liens arising from Supplier's performance.

17. **SAFETY RULES:** Supplier warrants that it and its employees shall comply with all statutory and governmental, Buyer and Buyer client safety and health regulations.

18. **GOVERNING LAW:** This Agreement and any disputes arising out of or related to it shall be governed by the laws of the domicile of the Buyer entity exclusive of any conflicts of laws principles, including such rules or principles therein that would require the application of The United Nations Convention on Contracts for the International Sale of Goods ("CISG"). Each domicile country shall be the "Designated Jurisdiction" for the respective Buyer as applicable.

19. **LAW AND DISPUTE RESOLUTION:** Each party to this agreement irrevocably agrees that any legal proceeding seeking the enforcement or interpretation of the Agreement may be brought in the courts located in the Designated Jurisdiction. Each party hereby irrevocably submits itself to the jurisdiction of any such courts, and waives any objection it may now or hereafter have to the placing of venue in any such courts and any right to remove any such action or proceeding to

another court.

20. **COMPLIANCE WITH ANTI-CORRUPTION LAWS:** Supplier represents and warrants, in connection with the transactions contemplated by this Agreement, and any other agreement contemplated by or entered into pursuant to this Agreement, that it shall take no action, directly or indirectly, that would constitute a violation of the United States Foreign Corrupt Practices Act, Canadian Corruption of Foreign Public Officials Act or any other applicable anti-bribery or anti-corruption law, convention or regulation (collectively, "anti-corruption laws"). Supplier acknowledges and confirms that it and its officers, directors, employees, agents, contractors, designees and/or any other party acting on its behalf (collectively, "Related Parties") are familiar with the provisions of the anti-corruption laws. Supplier hereby agrees to indemnify, defend and hold harmless Buyer Group from and against any and all claims, demands, damages, costs, penalties and fines arising in connection with any alleged breach by Supplier or any of its Related Parties of this Article 20. Buyer reserves the right to terminate the Agreement in its entirety, without liability to Supplier, if Buyer has a good faith basis for believing Supplier or any of its Related Parties has violated or intends to violate any country's anti-corruption laws.

21. **COMPLIANCE WITH LAWS:** Subject to the limitations of this Agreement, it is agreed that in the performance of this Agreement all matters shall be conducted in full compliance with any and all applicable federal, state, provincial and local laws, rules and regulations in the area(s) in which the matters are being conducted. If Buyer is required to pay any fine or penalty or is subject to a claim due to Supplier's failure to comply with applicable laws, rules or regulations, including Article 20 above, Supplier shall defend, indemnify and hold harmless Buyer Group for all Claims, fees and/or fines for such failure to comply to the extent of Supplier Group's negligence or fault. This provision shall survive termination or cancellation of this Agreement.

22. **SAVINGS CLAUSE:** In the event any provision, clause, sentence or part of this Agreement is inconsistent with or contrary to any applicable law, same shall be deemed to be modified to the extent required to comply with said law (it being the intention of both Parties to enforce to the fullest extent all terms of this Agreement) and as so modified, this Agreement shall continue in full force and effect. In the event any such provision, clause, sentence or part of this Agreement cannot be modified to comply with the law, then said provision, clause, sentence or portion of the Agreement shall be deemed to be deleted from the Agreement and the remaining terms and conditions shall remain in full force and effect.

23. **AMENDMENTS, SEVERABILITY, NO WAIVER:** This Agreement constitutes the entire Agreement between the parties with respect to the provision of Goods and supersedes all other terms either expressed or implied by law. No oral arrangement will be effective to modify or waive any provision of this Agreement. Any modification of this Agreement will not be effective unless signed by both parties. Both parties agree that this Agreement will be modified or altered only insofar as required by any jurisdiction purporting to limit such provisions, it being the intent of the parties to enforce all of the Agreement to the fullest extent.