

# Purchase Order Terms & Conditions

## 1. Acceptance or Acknowledgement

This purchase order including conditions becomes a contract when the purchaser receives a written acceptance hereof or upon the seller making shipment of the goods or part thereof ordered hereunder. The term goods includes but is not limited to materials, components, and services. The seller by returning a written acceptance to the purchaser or by shipment aforesaid shall be deemed to understand and agree that the terms and conditions herein shall bind both parties. This purchase order and any schedules attached to this purchase order constitute the entire agreement between the parties and no other terms and conditions whether oral or written and whether precedent or subsequent in time shall have any force or effect unless agreed to in writing by both seller and purchaser. The failure of either party to enforce its rights hereunder shall not constitute a waiver of such rights or any other rights in this contract.

## 2. Payment Terms

Unless otherwise agreed in writing, payment terms are Net 90 days from receipt of invoice.

## 3. Processing of Order

The seller understands and agrees as follows:

- (a) that this purchase order must not be filled at higher prices than quoted or last charged unless specifically agreed to by seller in writing;
- (b) that no charge will be allowed for boxing, packing or crating, carting or loading, unless expressly agreed to on the purchase order;
- (c) that it will show the purchase order number on all invoices, packages, bills of lading, etc., and all communications in reference thereto;
- (d) that it will render a separate invoice for each order or shipment;
- (e) that it will send invoices electronically; and
- (f) all goods must be shipped by the route designated by the purchaser and any additional freight or cartage costs incurred directly or indirectly through the seller failing to observe this condition will be charged to the seller's account.

## 4. Inspection

Except as otherwise agreed in writing, all shipments shall be subject to final inspection by purchaser after receipt by purchaser at destination. Delivery to the purchaser is not to be an acceptance unless inspected and approved by purchaser subject to further rejection by:

1. Defective workmanship or goods rejected by the Purchaser within one year of the date of receipt at Destination, or
2. Latent defects, frauds and mistakes.

## 5. Rejection

If any of the goods are found at any time to be defective in material, workmanship, quality, quantity or otherwise not in strict conformity with the specifications or requirements of this purchase order, the purchaser, in addition to any rights to which it may have under warranties or otherwise, shall have the right to reject and return such goods for full credit, all charges collect including incoming charges. Without limiting the foregoing right of rejection, the purchaser shall have the right to require prompt replacement, repair or correction of defective work or goods at seller's risk and expense. If the seller is unable or unwilling to effect such replacement, repair or correction, the purchaser may do so by using its own workmen, goods, or facilities or by outside contract, and shall be entitled to charge the seller for excess costs directly or indirectly occasioned thereby.

## 6. Cancellation

The right is reserved to the purchaser to cancel at any time this purchase order in whole or in part upon notice to the seller. If cancellation takes place, delivery shall be accepted of all goods at the purchase order price completed prior to the notice of cancellation.

## 7. Delay

In the event of delay in delivery or services, the purchaser may terminate the purchase order and hold the seller responsible for any damages.

## 8. Risk

If services and/or other goods are being supplied, such other goods remain at the complete risk, responsibility, and loss of the seller until this purchase order is fully completed. If damage, loss, theft, robbery or impairment occurs to any goods, the seller shall replace such other goods at the seller's sole cost and expense. In the event the seller terminates or abandons the services, either temporarily or permanently, the purchaser may take all necessary steps to complete the services and the seller is responsible for all damages incurred by the purchaser.

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## 9. Over-shipment

All over-shipments made are the seller's responsibility. The purchaser reserves the right to reject and return, at the seller's expense, any goods in excess of the quantity ordered.

## 10. Indemnity

The seller, the seller's employees, servants and agents will comply with all statutes and regulations of Canada and Ontario. Without the limitation of the foregoing, the purchaser relies upon the skill and judgement of the seller and the seller covenants and agrees that having acquired full knowledge of the use, function, purchase and application of the goods to be supplied hereunder it shall include in its price for and forthwith advise the purchaser of any alterations which may be necessary to ensure that the goods are fit for the said use, function, purpose and application contemplated. The seller further covenants and agrees to indemnify and save harmless the purchaser from any and all claims, loss or damages (including special and consequential damage and damages for loss of use) arising directly or indirectly from any breach of the terms of this purchase order and from any claims, loss or damage of whatsoever nature and kind for injury to persons and the destruction of or damage to property arising directly or indirectly from the construction, installation and supply of goods to be furnished hereunder or from anything undertaken or done in fulfilling the provisions of this purchase order.

## 11. Advertising

The seller shall not, except with the consent of the purchaser in writing, release information relating to this order for advertising, promotional, or technical

purposes or otherwise give it publicity in any fashion, nor shall the name of the purchaser be used for, or in connection with, any advertising or promotional purpose of the seller.

## 12. Extras

No charges for extras will be allowed unless they have been ordered in writing by the purchaser and the price agreed upon.

## 13. Compliance with Laws

Seller shall comply with all applicable laws, rules and regulations.

## 14. Hazardous Goods

Goods must be transported by the seller or seller's agent in accordance with all relevant federal, state and provincial legislation covering the handling and transportation of all hazardous and dangerous goods.

## 15. Environmental and Health & Safety

All goods and their packaging shall comply with all applicable environmental and health and safety laws, rules and regulations. The Seller shall conduct all work in accordance with the most recent edition of the Occupational Health and Safety Act of Ontario and all applicable Regulations, Codes, Standards and Guidelines.

## 16. Workplace Hazardous Materials Information

Material safety data (MSD) sheets or information sheets must be made available and where goods are being shipped or delivered must accompany the goods as required by law.