

- 1. DEFINITIONS.**
 - (a) "Goods" refers to all goods, equipment, materials, and components to be supplied by Supplier in accordance with this Purchase Order.
 - (b) "Services" refer to all services and labour to be supplied by Supplier in accordance with this Purchase Order.
 - (c) "Purchase Order" refers to the purchase order form issued by Purchaser, these purchase order terms and conditions and all attachments including but not limited to specifications, drawings and where applicable, the Prime Contract as defined in Article 26.
 - (d) "Purchaser" refers company purchasing the goods or services identified on the PO.
 - (e) "Supplier" refers to the company, partnership, person, vendor, or other legal entity supplying the Goods or Services.
 - (f) "Completion" refers to the point when Supplier has fully complied with the terms of this Purchase Order and the Goods or Services have been accepted by Purchaser following inspection pursuant to Article 7.
- 2. PURCHASE ORDER ACCEPTANCE.** The Purchase Order shall become a binding agreement upon the Supplier signing and returning an executed copy of the Purchase Order or Supplier commencing performance of the Purchase Order, whichever occurs first.
- 3. ENTIRE AGREEMENT.** This Purchase Order made as of the date specified herein between the Purchaser and Supplier represents the entire agreement between the parties hereto and supersedes all prior agreements including but not limited to previous proposals, invitations and discussions with respect to the subject matter hereof. The terms and conditions issued by Purchaser on the Purchase Order shall govern if inconsistent with these Purchase Order Terms & Conditions. If Supplier finds any discrepancies, ambiguities or contradictions between the various parts of this Purchase Order or any errors or omissions, Supplier shall immediately inform Purchaser in writing and Purchaser shall provide written clarification thereof. Purchaser's determination of intent shall be final and binding. Any additional work performed or goods supplied by Supplier as a result thereof, which is not authorized by a formal change order form issued by Purchaser, will be at the Supplier's risk and expense. Reference in this Purchase Order to Supplier's quotation does not imply acceptance of any terms and conditions in such quotation unless they are expressly adopted herein. Any terms and conditions in such quotation which are inconsistent with the terms and conditions contained in this Purchase Order shall be deemed to be null and void and of no effect.
- 4. PROCESSING OF PURCHASE ORDER.** The Supplier understands and agrees as follows:
 - (a) Supplier shall not deliver any Goods or perform any Services without an approved Purchase Order;
 - (b) Supplier shall acknowledge receipt and acceptance of this Purchase Order, and if not already specified, specify prices and shipping date for Goods or start date for Services;
 - (c) Supplier shall make no substitutions or changes without prior written authorization from Purchaser;
 - (d) Purchaser reserves the right to cancel this Purchase Order if shipment is not made as promised;
 - (e) Supplier shall not invoice this Purchase Order at higher prices than last quoted or charged without prior written authorization from Purchaser;
 - (f) Supplier shall immediately notify Purchaser if a committed Purchase Order amount is expected to be exceeded;
 - (g) Supplier will show the Purchase Order number on all invoices, packages, and communications.
- 5. PURCHASE PRICE.** The price in the Purchase Order shall, unless otherwise indicated in writing, be inclusive of all taxes, surcharges, duties and brokerage payable in relation to the Goods and Services, other than HST. Unless otherwise specified, Supplier shall be solely responsible for all freight, shipping, transportation costs, packing, marking, certificates and any other necessary documentation. Unless otherwise specified, the price stated in the Purchase Order is fixed, in Canadian Dollars, and not subject to escalation or increase due to any cause.
- 6. PAYMENT.** Supplier shall submit invoices to the address specified on the Purchase Order. Unless otherwise stated, Purchaser will remit payment to Supplier thirty (30) days from the date a correctly completed invoice is received by the Purchaser. Purchaser shall have no liability to pay Supplier for any work covered by an invoice that is provided more than ninety (90) days from the performance of the work to which the invoice relates. This shall not apply to invoices that Supplier presents after such 90-day period in regard to final settlement of disputes in relation to amounts originally invoiced before the end of such 90-day period. In the event of dispute, Purchaser shall have the right to withhold the disputed amounts until final settlement by agreement in accordance with Article 28. Where deemed necessary by Purchaser, Supplier shall provide a statutory declaration with each progress billing and final billing indicating that the work in connection with the billing has been completed and all accounts have been paid in full. The acceptance of final payment shall constitute a waiver of all claims by the Supplier against the Purchaser except those made in writing prior to the Supplier's application for final payment.
- 7. INSPECTION.** The Purchaser, or Purchaser's client, shall have free access, at all reasonable times, to the premises of both the Supplier and its subcontractors to review the progress of the work and to ensure that the Goods and Services are being furnished in accordance with this Purchase Order. All shipments shall be subject to final inspection by Purchaser after receipt by Purchaser at destination. Purchaser shall be provided with a reasonable period of time to inspect the Goods and Services and shall not be obliged to inspect the Goods or Services until Supplier has fully complied with the terms of this Purchase Order. Supplier shall immediately correct faults, defects or deficiencies identified in connection with any tests and inspections, but any such tests or inspections or lack of same does not relieve Supplier of full risk or responsibility for delivery in accordance with the Purchase Order. Purchaser shall have the right to audit the Supplier's records (excluding lump sums, margins and overhead) in relation to the Purchase Order up to 2 years after Completion.
- 8. CANCELLATION.** Purchaser may suspend or cancel the whole or any part of the Purchase Order at any time, without cause. In such an event, Supplier shall stop all work connected with the Goods or Services or applicable portion thereof, except as may be directed by the Purchaser in writing. If Purchaser cancels the whole or any part of the Purchase Order without cause, Supplier shall be entitled to reimbursement of direct costs incurred or Services performed and satisfactorily completed up to the date of cancellation, plus reasonable and documented out-of-pocket costs and expenses incurred which result from obligations which Supplier has incurred or entered into in good faith as a result of the Purchase Order provided that the amount of such reimbursement, together with payments already made, do not exceed the price in respect of the cancelled part. Any completed work or raw material whose costs are included in cancellation charges shall be identified in writing and held by Supplier for disposition in accordance with Purchaser's written instructions.
- 9. CHANGES.** No change of any kind to the terms of this Purchase Order including without limitation, substitution of the Goods, and no waiver or exception to any of the terms hereof, shall be made or construed to have been made unless the same is authorized specifically in writing by Purchaser on a change order form and Supplier accepts such change order by signing the acknowledgement copy. Purchaser may at any time make changes to the Goods or Services, increase or decrease the quantity of Goods or timing of delivery of Goods to be supplied under this Purchase Order or scheduling of Services and the price shall be adjusted in accordance with agreed sums, rates, and prices. If changes affect delivery date or price the Supplier shall immediately notify the Purchaser to request an adjustment.
- 10. DELIVERY.** Unless otherwise specified, all Goods are to be appropriately packed and marked and delivered to place of destination ("Ship to Address" on Purchase Order) named by Purchaser Delivery Duty Paid ("DDP"), Incoterms 2010. Supplier acknowledges that time is of the essence and Supplier guarantees timely delivery of Goods or performance of Services. No change in the scheduled delivery date of the Goods or performance of the Services will be permitted without Purchaser's prior written consent. No acceptance of the Goods or Services after the scheduled delivery date will waive Purchaser's rights with respect to such late delivery nor shall it be deemed a waiver of future compliance with the terms hereof. Supplier must immediately notify the Purchaser in writing of any foreseen delays in delivery explaining the cause of the delay and its likely duration. All Goods are to be well protected for shipping to avoid damage. If no transport instructions are given in the order, the Supplier shall obtain such prior to dispatch. In the event any Goods are delivered in error, rejected as not being in accordance with the Purchase Order, or overages in excess of trade practice, then Purchaser shall have the right to return such Goods at the Supplier's expense and risk.
- 11. TITLE TRANSFER.** Title to the Goods or portion thereof shall vest in Purchaser at the earlier of:
 - (a) the Goods, or a portion thereof, are first identifiable as being appropriated to the Purchase Order;
 - (b) Purchaser pays the Supplier for the Goods, or portion thereof; or
 - (c) the Goods, or portion thereof, are dispatched from the Supplier's place of manufacture to the Purchaser's site.

Any transfer of title to the Goods shall be without prejudice to Purchaser's right to refuse acceptance of the Goods if Goods are not in accordance with the Purchase Order. Unless otherwise stated, care, custody, control and risk of loss of the Goods remains with the Supplier until Purchaser both takes physical possession and accepts delivery of the Goods.
- 12. SUBCONTRACTING & ASSIGNMENT.** Supplier shall not assign or sub-contract this Purchase Order in whole or in part without the prior written approval from Purchaser, which approval may be withheld at Purchaser's sole discretion. Such approval shall under no circumstances relieve Supplier from any obligations pursuant to this Purchase Order and Supplier shall be responsible for the acts, omissions and defaults of its subcontractors in relation to this Purchase Order. Purchaser may assign in whole or in part its rights or obligations under the Purchase Order without Supplier's consent.
- 13. FORCE MAJEURE.** Supplier is excused from delays caused by force majeure provided Supplier: i) immediately notifies Purchaser upon discovery of the force majeure; and ii) follows with written notice as soon as possible (and no later than within three (3) days from the date of discovery) advising of the nature and extent of the circumstances giving rise to the force majeure. The price shall not be subject to increase due to force majeure. Force majeure includes events beyond the reasonable control of the affected party which could not have been reasonably foreseen or avoided by such party through the exercise of reasonable due diligence and which is not due to the fault or negligence of the affected party such as national strikes, riots, acts of God, war and war-like situations. Purchaser shall not be liable for delays caused by force majeure.
- 14. LIABILITY AND INDEMNITY.**
 - (a) Supplier agrees to indemnify and save harmless the Purchaser, its agents, servants and employees from any and all claims, losses, damages, costs or expenses of whatsoever nature and kind (including without limitation special and consequential damages and damages for loss of use and legal fees on a solicitor and own client basis) arising directly or indirectly from any breach of this Purchase Order or from any injury, fatal or otherwise, to persons and/or the destruction of or damage to property as a result of, or in connection with, arising out of or incidental to the Supplier's performance, purported performance or non-performance of its obligations under the Purchase Order. Supplier also agrees to indemnify and save harmless the Purchaser, its agents, servants and employees from any and all claims arising out of or resulting from the actual or alleged infringement of any rights under patents, trade secrets, copyright or other intellectual property rights or any litigation in respect of Goods supplied by the Supplier.
 - (b) Supplier agrees to release and waive liability for all claims that Supplier has, or may in the future have, against Purchaser, its agents, servants and employees, with respect to any loss, damage or injury (including special and consequential damages and damages for loss of use) the Supplier may suffer or incur in connection with, related to or arising out of this Purchase Order unless caused solely by Purchaser's negligence or willful misconduct. For greater certainty, in no event shall Purchaser be liable to Supplier for indirect, special or consequential damages.

15. **DEFAULT.** If Supplier shall default in its performance of a representation, warranty or guarantee or is in breach of any other provision of this Purchase Order, including failure to deliver the Goods or perform the Services by the specified date(s), or becomes insolvent or makes an assignment for the benefit of creditors, then, without prejudice to any other right or remedy: (a) Purchaser may revoke the whole or any part of this Purchase Order, without penalty or liability to Purchaser; (b) Purchaser shall be entitled to withhold payment of any sums that are or may become payable to Supplier under this Purchase Order; (c) Purchaser shall have the right at Supplier's cost (either with or without the use of Supplier's material, equipment, tools and instruments) to finish the work, either itself or with the assistance of third parties, or to procure upon such terms and in such manner as Purchaser deems appropriate Goods or Services similar to those cancelled, and; (d) Supplier shall reimburse Purchaser for all losses, costs, damages and expenses incurred by Purchaser over and above the price specified in this Purchase Order resulting from such default or delay.
16. **CONFORMITY WITH LAWS.** Supplier shall comply with all applicable laws in the performance of its obligations under the Purchase Order. This Purchase Order shall be governed by and construed in accordance with the laws of Newfoundland and Labrador, Canada and the parties agree to accept and submit to the exclusive jurisdiction of the courts of that Province.
17. **ENVIRONMENT, HEALTH AND SAFETY STANDARDS.** Supplier warrants that in the supply of Goods and performance of Services it will adhere to the highest possible standards for the protection of the environment and with regard to health and safety, including without limitation the standards which are the higher of the standards required by Supplier, Purchaser, Purchaser's client, or at law. Supplier will provide Purchaser with all pertinent information necessary to ensure the performance of the Purchase Order and the provision and delivery of the Goods and Services are in accordance with all relevant environmental, health and safety requirements and standards.
18. **PURCHASER PROVIDED PROPERTY.** Unless otherwise agreed in writing, all tools, equipment or material of every description provided to the Supplier by the Purchaser or specifically paid for by the Purchaser, and any replacement thereof or any materials affixed or attached thereto, shall be and remain the property of the Purchaser. Such property shall remain free of liens and encumbrances. The Supplier shall not substitute any property for the Purchaser's property and shall not use such property except in performing its obligations under this Purchase Order. Such property while in the Supplier's care, custody and control shall be held at the Supplier's risk and shall be kept insured and returned to the Purchaser at Completion. The Purchaser shall have the right at all reasonable times upon prior request to enter the Supplier's premises to inspect any and all such property.
19. **CONFIDENTIALITY.** All information which the Purchaser provides to Supplier under the Purchase Order remains the property of the Purchaser. Without Purchaser's consent, such information is not to be used by Supplier for any other purpose than for fulfilling the obligations under the Purchase Order. Supplier agrees to maintain the confidentiality of all such information and similarly to ensure all employees, subcontractors and their employees adhere to this confidentiality requirement.
20. **SUPPLY OF GOODS.** In the event of a partial failure of the Supplier's sources of supply of the Goods purchased hereunder, the Supplier shall first meet all the Purchaser's requirements hereunder prior to any allocation among the Supplier's other customers.
21. **SPECIFICATION.** All Goods must be in accordance with the final approved plans, specifications and addenda and are subject to final approval by Purchaser.
22. **REPRESENTATION** - The Purchaser relies upon the skills and judgment of the Supplier and the Supplier represents and warrants that, having acquired full knowledge of the use, function, purpose and application of the Goods to be supplied and Services to be performed, all Goods supplied and Services performed under this Purchase Order are:
(a) free from defects (latent and other) and deficiencies, including without limitation, in the case of Goods, free from defects and deficiencies in material, workmanship and design;
(b) in the case of the Goods, of merchantable quality;
(c) fit for the purpose for which the Goods have been manufactured, fabricated or supplied or for which the Services have been provided,
(d) in compliance with all applicable specifications, and
(e) free from liens or encumbrance on title.
23. **WARRANTY.** All Goods and Services provided shall be in accordance with current, sound and generally accepted industry practices by qualified personnel trained and experienced in the appropriate fields. The Supplier shall remedy without delay, at its own risk and expense, any defect or deficiency for a period of at least 12 months after Completion unless longer period is noted in the specifications, Prime Contract, Purchase Order. The Supplier shall be responsible for any and all costs incurred in relation to fulfilling its obligations under the representation and warranty provisions, including any shipping, access, removal and re-installation costs. The warranty period shall be extended for an additional 12 month period in the case of corrective services or repaired or replacement goods. Should the Supplier fail to promptly remedy defects or deficiencies, Purchaser may remedy the defects or deficiencies and the Supplier shall indemnify and hold harmless Purchaser from any claim, damage or loss incurred by Purchaser.
24. **INDEPENDENT CONTRACTOR.** Supplier is acting solely as an independent contractor and nothing contained herein shall at any time be construed as to create the relationship of employer and employee, partnership, principal and agent, or joint venture between Purchaser and Supplier.
25. **SET-OFF.** Purchaser may deduct and set-off any amounts owed by the Supplier to Purchaser under the Purchase Order, howsoever arising, against any amount due or owing to Supplier by Purchaser under any contract Purchaser may have with the Supplier.
26. **PRIME CONTRACT.** Where this Purchase Order relates to the provision of Goods or Services under an agreement between Purchaser and Purchaser's client ("Prime Contract"), Supplier shall also comply with all provisions of the Prime Contract to the extent they apply to the supply of Goods and Services herein. In the event of conflict between this Purchase Order and the Prime Contract, the terms and conditions of the Prime Contract shall prevail.
27. **INSTALLATION OF GOODS OR PERFORMANCE OF SERVICES ON PURCHASER'S SITE.** In the event this Purchase Order requires the performance of Services or installation of the Goods by the Supplier upon any property of Purchaser (or Purchaser's client), the following conditions shall also be applicable:
(a) Supplier shall take precautions to protect all property and persons from damage or injury arising out of its work and shall comply with all fire, safety and other applicable regulations prescribed by any governmental agency or by Purchaser and/or Purchaser's client, and shall be responsible for the observance thereof by all its sub-contractors, employees, agents and representatives of Supplier and its sub-contractors.
(b) Supplier shall keep the site and work free and clear of all mechanics' liens or claims; and shall promptly pay for all labour and material. If Supplier fails to do so, Purchaser may, in its sole discretion and without waiving any rights or remedies against the Supplier, either withhold payment or pay any such liens or claims and deduct the amount of such payments from sums due to Supplier hereunder;
(c) The work shall remain at the Supplier's risk prior to written acceptance by Purchaser and/or Purchaser's client and Supplier shall replace at its own expense all work damaged or destroyed by any cause whatsoever.
(d) Supplier shall observe and comply with, to the extent required by Purchaser, the wages, hours and working conditions established by Purchaser on the project or required of Purchaser by any applicable labour agreements.
(e) Supplier shall perform its work in accordance with the schedules and work programs established by Purchaser and shall fully cooperate with Purchaser and others engaged in work on the project or in the vicinity of the project so that the work on the entire project may be performed with the utmost speed, consistent with good practices. In case of conflict, Purchaser may direct the necessary coordination.
(f) Supplier shall perform the work so that the site shall at all times be clean, orderly and free from debris and upon Completion shall remove all refuse and debris and leave the site of the work clean, orderly and in good condition.
(g) Supplier shall abide by and shall require Supplier's employees, agents, contractors or sub-contractors to abide by Purchaser's or Purchaser's client's work and safety rules and health and environmental guidelines when work or services are performed at Purchaser's or Purchaser's client's site. Purchaser has the right to exclude personnel from Purchaser's site who do not abide by such rules, and at Purchaser's election to declare a default under the Purchase Order.
(h) Supplier is solely liable for its employees, agents, contractors or sub-contractors and their actions while on Purchaser's site and the Supplier agrees to indemnify and save harmless Purchaser from all claims, losses, damages, costs or expenses arising from or out of the presence or activities of Supplier's employees while at Purchaser's site.
28. **DISPUTES.** Each party agrees to promptly notify the other of any dispute. The parties agree to make all reasonable efforts to resolve any disputes through management discussion and good faith negotiation. Failing resolution through management discussion, the parties agree to use the services of a qualified, experienced mediator to attempt to resolve their dispute or difference and, failing agreement on the procedure to be followed, the mediation shall be conducted in accordance with the National Mediation Rules & Code of Conduct for Mediators published by the ADR Institute of Canada, Inc. and shall be held in St. John's, NL. If the parties fail to reach agreement through mediation, any unresolved issue(s) shall be finally resolved by arbitration under the Arbitration Rules of the ADR Institute of Canada, Inc. and pursuant to the Arbitration Act (Newfoundland and Labrador), as amended from time to time. The Seat of Arbitration will be St. John's, NL and the arbitration will occur in St. John's, NL. The arbitration shall be final and binding upon the parties and no appeal shall be taken therefrom. The costs of arbitration shall be awarded by the arbitrator in accordance with the aforementioned Rules.
29. **SPECIAL CONDITIONS.** Where deemed necessary by Purchaser, Supplier shall provide upon award:
(a) Letter of Good Standing from the appropriate Workplace Health, Safety and Compensation Commission ("WCC") prior to starting work under this Purchase Order. Supplier warrants that all employees, contractors, subcontractors and other persons performing Services under this Purchase Order are registered and in good standing with the WCC.
(b) Certificate from the applicable Construction Safety Association having jurisdiction. All employee certifications necessary to fully perform the Works.
(c) Proof of insurance coverage to amounts required by specifications, general conditions or addendum. If not otherwise specified, Supplier shall maintain sufficient third party insurance in relation to risk of loss or injury to persons or property, collision and automobile insurance, and all-risks property insurance, as reasonably required by a prudent vendor in relation to the supply of Goods, providing that all such policies shall contain a waiver of subrogation against Purchaser, its employees, contractors and affiliated persons.
(d) Proof of insurance coverage satisfactory to Purchaser for Workplace Health, Safety and Compensation, property damage, public liability, personal injury, employers' liability and other applicable insurance.
30. **ANTI CORRUPTION & ETHICS.** The Supplier agrees to perform the Services and to conduct its operations in a manner which is consistent with the highest ethical standards. The Supplier warrants on behalf of itself and its Sub-Suppliers and represents to the Purchaser that in carrying out its business activities it: i) has not and will not utilize illegal information brokering in connection with the contract; ii) complies with generally accepted standards of business ethics and conduct and, expressly, that it abides by the principles of the OECD Convention on Combating Bribery in International Business Transactions, including the Corruption of Foreign Public Officials Act (1998), the UK Bribery Act 2010 and the US Foreign Corrupt Practices Act as well as any other relevant anti-bribery, anti-corruption or conflict of interest law applicable to the Purchaser or Supplier.