



Purchasing Terms & Conditions

1. Acceptance

This order constitutes the entire agreement between the parties, and acceptance of this order is expressly limited to these terms and conditions and the terms and conditions set forth on the face of this order. Supplier automatically accepts the terms and conditions by express acceptance or by shipment of the goods. All prior representations, negotiations or arrangements are superseded by these terms and shall not form a basis for interpretation of these terms. Any changes must be agreed to in writing by Buyer.

2. Changes

Buyer shall have the right at any time to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation. If any such changes cause an increase or decrease in the cost, or the time required for the performance, an equitable adjustment shall be made and this agreement shall be modified in writing accordingly. This right to an adjustment shall be deemed waived unless asserted within thirty (30) days after the change is ordered.

3. Shipping and Invoicing

Invoices shall be in duplicate and will indicate number of packages and means of transportation. Each package should indicate case number and Buyer's purchase order number.

4. Price Reductions

Supplier will give Buyer the benefit of any price reductions occurring before the specified shipping date or to actual delivery date to Buyer's warehouse whichever is more advantageous to Buyer. Supplier warrants that the price for the articles sold hereunder are not less favourable than those currently extended to any other customer for the same or similar articles in similar quantities.

5. Warranty

Supplier warrants that the goods shall be: (i) in merchantable condition and free from defects in design, workmanship and materials, (ii) in conformity with the order and specifications, (iii) fit for such particular purposes and uses specified by Buyer or otherwise known to Supplier, and (iv) free and clear of any liens or other adverse claims against title. Buyer may, but shall not be required to inspect the goods. All warranties statutory, express or implied will survive inspection, test, acceptance and payment by Buyer or Buyer's customers or agents. Supplier agrees, at its own cost and expense, to defend and hold Buyer harmless from and against any and all claims made against Buyer based upon, relating to or arising of any claimed defects in the goods or work performed by Supplier pursuant to this order.

6. Taxes, Transportation, Other Charges

Except as otherwise provided on the face of this order, the price includes all costs and charges, including without limitation, all applicable taxes and duties and all charges for packing, loading and transportation. If Buyer has agreed on the face of this order to pay any such charges, such charges shall be listed separately on Supplier's invoices. Goods shall be packed, marked and described and the carrier shall be selected, so as to obtain the lowest transportation cost possible, and increased charges due to failure to do so will be charged to Supplier. If any manufacturer's excise tax, value added tax or other tax measured by selling price is included in or added to the price of the goods paid by Buyer, then, in the event all or any part of that tax shall be refunded to Supplier, Supplier shall promptly remit such refund in full to Buyer.

7. Time of the Essence

Time is of the essence in this transaction. In addition to the Buyer's remedies for breach of contract, this order may be cancelled or refused without liability if the goods are not shipped as specified or on the date specified.

8. Default

At Buyer's option, Supplier will repair or replace any nonconforming goods. If Supplier does not replace or correct defects in nonconforming goods promptly, Buyer, after reasonable notice to Supplier, may make such corrections or replace such goods and charge Supplier for the costs incurred by Buyer.

9. Indemnification

Supplier will defend and indemnify Buyer against all claims, actions, liability, damage, loss and expense (including investigative expense and attorneys' fees incurred in litigation or because of threatened litigation) as the result of Buyer's purchase and/or resale of the goods to its customers arising or alleged to arise from (i) patent, trademark, industrial design, copyright or other intellectual property rights infringement, (ii) the failure or alleged failure of the goods to comply with this order or with any express or implied warranties of Supplier, (iii) defects in design, material or workmanship, or (iv) Supplier's negligence or wilful act or omission to act. Buyer may terminate this order or any part thereof if Supplier fails to comply with any of these terms and conditions or the conditions set forth on the face of this order. Buyer's remedies shall survive any termination of this agreement.

10. Ethics and Social Responsibility

In accordance with the Buyer's commitments to ethics and social responsibility, Supplier declares to: Operate in compliance with national and international laws, comply with principles of fair competition, and reject all forms of corruption. In addition, Supplier commits to being consistent with the principles of the Universal Declaration of Human Rights, the UN Global Compact and Convention on the Rights of the Child and Conventions of the International Labour Organization, to which Buyer adheres. Supplier commits in particular: To abide by human rights and freedoms and personal dignity, not to use child labour, forced labour or covert labour, not to discriminate between its employees on grounds prohibited by applicable law, not to use any mental or physical coercion, to take reasonable action to prevent any psychological harassment and to put a stop to any psychological harassment situation in the workplace, to respect the laws in force related to employment, labour, pay equity, employment equity and health and safety. The parties agree that this provision constitutes Buyer's prerequisite for entering into this Agreement. Should Supplier fail to meet its obligations and not remedy the situation within fifteen (15) days of a formal notice sent by Buyer, the Agreement shall be automatically terminated.

11. Environment

(a) Environmental Issues Related to Goods

Supplier warrants that it provides Buyer with goods complying with all applicable environmental laws and regulations in the jurisdiction where the goods are to be delivered. In case of an eco-labeled good, Supplier shall ensure that the good complies with all environmental and energy efficiency labelling requirements applicable in the jurisdiction where it is to be delivered. Supplier shall also ensure that it has been duly authorized to use such labels, and shall provide evidence of same upon Buyer's request. Supplier undertakes to inform Buyer of the presence of any substance entering into the composition of the goods which is controlled, regulated or classified under applicable environmental laws and regulations as potentially dangerous, hazardous or toxic to human health or the environment (such as substances specified in REACH or ROHS European Regulations, or any other similar regulation in the world). Supplier undertakes to specify their nature and quantity in the Material Safety Data Sheet (MSDS) if any, and to update the information if necessary. Supplier shall keep itself informed of the evolution of all environmental laws and regulations applicable to the goods, and shall ensure that the goods are in compliance with all such laws and regulations. Supplier warrants that any information it delivers to Buyer according to this article is accurate, consistent and complete, and hereby authorizes Buyer to rely on such information. Supplier shall, upon Buyer's request, provide evidence of its compliance with the requirements described hereinabove. Upon Buyer's request, Supplier agrees to collaborate with Buyer by providing information on the goods' Life Cycle, such as but not limited to, carbon footprint, recyclability, energy efficiency.

(b) Environmental Issues regarding Supplier's operations

Supplier warrants that its activities comply with all environmental laws and regulations in force in the jurisdiction(s) in which it operates. According to Buyer's environmental policy, Supplier undertakes to implement or maintain an environmental management system on each site where the goods are manufactured. Buyer may request that Supplier be ISO 14001 certified. In which case, Supplier shall provide evidence of such certification for all sites concerned.

12. General Provisions

(a) Supplier is active at all times in his own capacities and rights as an independent contractor from Buyer. This transaction does not create a principal-agent or partnership relationship between them, and neither one may legally commit the other in any matter whatsoever.

(b) Supplier shall comply with all laws, regulations and policies applicable to it by any jurisdiction and shall obtain all permits needed to complete this transaction under the laws of the country from which the shipment is made.

(c) If the importation of the goods results in the assessment of a countervailing duty on Buyer as the importer, Supplier shall reimburse such countervailing duty to Buyer, provided such reimbursement is permitted under Canadian laws and regulations.

(d) Supplier shall cooperate fully with Buyer at Supplier's expense in obtaining approvals of the goods requested by Buyer from certifying organizations such as Underwriters Laboratories or CSA.

(e) Any goods that are hazardous will be packaged, marked and shipped by Supplier to comply with all federal, provincial and local regulations and will further comply with all special Buyer requirements. Supplier shall furnish Buyer a Material Hazard Data Sheet covering all such goods.

(f) Supplier shall treat as confidential any proprietary information it has received from Buyer in connection with this order.

(g) Unless otherwise agreed upon in writing, title to the goods and risk of loss will remain with Supplier and shall not pass to Buyer until delivery and acceptance by Buyer at Buyer's requested destination.

(h) Unless otherwise specified on the order, payment of the purchase price shall be due on the first day of the second month following the later of Buyer's receipt of Supplier's correct invoice for such shipment or the date on which the goods are received and accepted by Buyer.

(i) If Supplier ceases to conduct normal business activities or becomes subject to bankruptcy or insolvency proceedings, Buyer may elect to terminate this purchase order without any liability or penalty.

(j) Buyer may waive performance of any condition, but waiver by Buyer of a condition shall not be considered a waiver of that condition for succeeding performance. None of Buyer's remedies hereunder shall limit any other recourse available to Buyer in law or in equity.

(k) This purchase order is not assignable by Supplier without the prior written consent of Buyer.

(l) This transaction and all its terms shall be construed in accordance with and all disputes shall be governed by the laws of the province of Canada from where this purchase order is issued, and excluding the provisions of the Convention on the International Sale of Goods. Parties hereto submit to the jurisdiction of the courts from the province of Canada where this purchase order is issued in the event of any proceedings or disputes.

(m) Supplier and Buyer agree that in the event any portion of the transactions contemplated herein are hereafter effected using Electronic Data Interchange ("EDI") the terms and conditions of this document shall continue to apply thereto notwithstanding any EDI trading agreement between the parties. Any data electronically transmitted will be as legally sufficient as a written paper document signed and exchanged between the parties provided each party has adopted appropriate digital identification.

(n) Buyer regularly conducts internal audits of the past three (3) calendar years of operations in all of its divisions to identify incorrect payments and to verify accuracy in entitlement processing such as volume rebates, purchase and early payment discounts etc. Should Buyer identify any such incorrect payment or inaccuracy, Supplier will be provided with at least fifteen (15) days' written notice ("Claim Review Period") of any such audit claim, and will be deemed to have accepted the audit claim unless it objects to the same in writing to Buyer within the Claim Review Period. In the event Supplier objects in writing to any audit claim, the parties agree to negotiate in good faith with regard to such claim. Supplier agrees the amount of such claim may be set off by Buyer, at Buyer's option, against other amounts owed to Supplier, if applicable, in accordance with the provisions of this Agreement.