

1. PRICES

Unless otherwise specified, prices shall be fixed and inclusive of all other charges including but not limited to deposits, packaging and handling.

2. SHIPMENT AND DELIVERY

Time is of the essence and Supplier shall provide all quantities and/or types of items under this agreement ("Goods") and/or services provided under this agreement ("Services") to Purchaser on the specified delivery date. Unless otherwise specified, Supplier shall select the appropriate mode of shipment, the carrier and the payment arrangement for shipping charges. Any invoices from Supplier to Purchaser for agreed and prepaid carrier charges exceeding fifty Canadian dollars (\$50) or its equivalent shall be supported by copy of the carrier billing

3. TITLE AND OWNERSHIP OF GOODS

Supplier represents and warrants that it will be the absolute owner of all Goods with good and marketable title thereto, free and clear of any lien, charge, encumbrance or right of others whatsoever and shall be exclusively entitled to possess and sell same. Supplier shall keep all Goods and Supplier's premises free and clear of any and all liens and charges arising in connection with this agreement. Unless otherwise specified, title and risk of Goods shall pass to Purchaser upon acceptance by Purchaser at the specified delivery point. Unless otherwise expressly agreed between the parties, any design, drawing, sample, pattern, tool or material supplied by, loaned by, or paid for by Purchaser in relation to this agreement, including any associated intellectual property, shall remain or become property of Purchaser.

4. ALTERATION

Purchaser reserves the right to change the amount or type of Goods and/or Services at its absolute discretion. Purchaser shall confirm such change in writing to Supplier. Supplier shall be entitled to fair and reasonable compensation from Purchaser for (i) Goods and/or Services previously provided to Purchaser, (ii) out-of-pocket costs for work-in-progress prior to the change, and (iii) expenses incurred to meet such change.

5. INDEMNIFICATION

Supplier agrees to indemnify and save harmless Purchaser from all losses, costs, damages and claims to the extent they are attributable to its performance, non-performance or breach of this agreement, including without limitation those with respect to confidentiality, intellectual property infringement, injury or death.

6. INSURANCE

Supplier and Supplier's subcontractors or agents shall each carry Commercial General Liability insurance with a combined single limit of not less than \$2,000,000 per occurrence and Automobile Liability insurance of not less than \$2,000,000 per occurrence. At Purchaser's request, Supplier shall provide independent proof of such coverage and/or add Purchaser as an additional insured to its policy(s).

7. CONFIDENTIALITY

All documents, designs, drawings, specifications, samples and the like furnished by Purchaser to Supplier shall be treated as confidential by Supplier, used by Supplier only in relation to this agreement and disclosed to Supplier's employees and subcontractors only after appropriate written acknowledgement of confidentiality is obtained from such parties.

8. WARRANTY

Supplier warrants that Goods and/or Services will conform to all applicable descriptions and specifications and all other terms and conditions of this agreement and that the Goods and/or Services shall be of good quality and fit for the known purpose. Supplier shall, without charge to Purchaser, repair or replace, any defective or failed Goods and re-perform all Services that were performed incorrectly or otherwise do not fully comply with this agreement within twelve (12) months of Purchaser's first use of the Goods and/or receipt of Services, as applicable. Repaired or replaced Goods and/or re-performed Services shall be warranted for a new period of twelve (12) months from the date of repair, replacement or re-performance, as

applicable. Such repair, replacement or re-performance shall be without prejudice to any of Purchaser's other rights or remedies. These warranties are in addition to any warranty or service guarantee given by Supplier to Purchaser or implied by law.

9. INDEPENDENT CONTRACTOR / USE OF NAME

Supplier is an independent contractor and, unless authorized by Purchaser in writing, shall not purport to be Purchaser's agent or representative.

10. BILLING AND PAYMENT

Invoices shall specify this purchase order number and provide a breakdown to at least the item level. Invoices must include Supplier's GST number, PST number (if applicable) and payment terms. Purchaser shall pay Supplier within 30 days of receipt of an invoice. Purchaser shall be entitled to set off against any amount due or owing to Supplier under this agreement sufficient to (i) cover any amount owing from Supplier to Purchaser or (ii) protect Purchaser from any defects or deficiencies or any other failures by Supplier to comply with the requirements of this agreement.

11. TAXES

Purchaser shall pay all applicable sales, use or other taxes, charges, or fees Supplier is required to collect under this agreement.

12. SUPPLIER COMPLIANCE

Supplier shall comply with all applicable laws, regulations and any policies or procedures Purchaser has indicated are applicable to the Goods and/or Services, including those in respect of health, safety and the environment and obtain all permits, licenses and/or regulatory requirements which may be required for performance of this agreement.

13. CONSEQUENTIAL DAMAGES

Under no circumstances shall either party be liable to the other party for special, indirect or consequential damages resulting from or arising out of a party's performance, purported, improper or non-performance of this agreement, including, without limitation, loss of use, loss of revenue, increased operating costs, non-recoverable overheads, loss of profit or business interruptions, howsoever these may be caused, provided that nothing herein shall be construed as limiting liability for third party claims, claims relating to intellectual property or breaches of confidentiality.

14. TERMINATION

Purchaser may terminate this agreement at any time and thereupon Supplier shall be relieved of all further obligations hereunder, except for those obligations which by their nature continue, including Sections 5, 6 and 10. If Purchaser's termination is not due to the failure of Supplier to comply with this agreement, its insolvency, bankruptcy or the like, Purchaser shall reimburse Supplier for its actual, direct out-of-pocket costs incurred in connection with this agreement to the effective date of termination, and such other termination costs as the parties may mutually agree to.

15. ASSIGNMENT

Purchaser's prior written consent is required to assign any obligation or benefit under this agreement. This agreement is binding upon Supplier's respective heirs, executors, administrators, successors and assigns.

16. GOVERNING LAW

This agreement shall be governed by the laws of the province or territory named as the office of Purchaser in the purchase order and any disputes arising shall be subject to the exclusive jurisdiction of those courts.

17. ACCEPTANCE

By signing hereunder, the parties accept the terms and conditions in this agreement and attached supporting documentation, if applicable.

Signed Vendor Acceptance