

PURCHASE ORDER # _____

**GENERAL TERMS AND CONDITIONS
GOODS & SERVICES**

_____ ("End User") has engaged Buyer to construct the _____ Project located in _____, Alberta, Canada of which the provision of certain goods and/or services may be the whole or a part.

1. **ENTIRE AGREEMENT.** The following terms and conditions apply to the purchase of equipment, materials or goods (collectively, the "Goods") and the performance of any services (the "Services") that are set forth on the attached purchase order (the "Purchase Order", where the Purchase Order together with these General Terms and Conditions, and any drawings, specifications or schedules attached thereto or hereto are collectively, the "Agreement"). This Agreement is between the supplier set forth on the Purchase Order (the "Supplier") and the CANA entity set forth on the Purchase Order (the "Buyer"). The acknowledgement copy of the Purchase Order shall be executed and returned by the Supplier to the Buyer within seven days after receipt of the Purchase Order. Buyer's receipt of the signed acknowledgement copy of the Purchase Order or Supplier's initiation of performance under the Purchase Order shall constitute acceptance by the Supplier. Acceptance of the Purchase Order by the Supplier is expressly limited to the terms and conditions contained in this Agreement and supersedes all prior negotiations, representations, agreements, understandings and dealings between the parties. Any additional or different terms or conditions contained in any of the Supplier's invoices, billing statements or other documents shall be of no force or effect unless expressly agreed to in writing by both the Buyer and the Supplier.
2. **INTERPRETATION.** If there is any conflict or inconsistency among the provisions of this Agreement, precedence shall be given to any Purchase Order Changes, then these General Terms and Conditions, then the terms set forth in the Purchase Order and finally any referenced documents in the Agreement.
3. **PURCHASE PRICE.** In consideration for the Goods and Services, the Buyer shall pay the Supplier the purchase price set forth in the Purchase Order (the "Purchase Price") in accordance with any terms or conditions contained therein. The Purchase Price is full compensation for the supply of Goods and the performance of Services and will not be subject to escalation, except in accordance with the terms of this Agreement. Unless otherwise stated in the Purchase Order, the Purchase Price includes all charges for packaging, labeling, storage, insurance, transportation and other similar costs, as applicable, and all taxes, except for provincial, local sales or use tax which the Supplier is required by law to collect from the Buyer. Such sales tax, if any, shall be separately stated from the Purchase Price in any invoice and paid by the Buyer unless an exemption from payment is available. Any tax or duty rebates applicable to Goods or Services are for the account of the Buyer. In respect of the performance of Services, the Buyer will only reimburse the Supplier for any costs or expenses incurred by the Supplier if they are previously approved by the Buyer.
4. **INVOICES & PAYMENT.** All Supplier invoices must state the applicable Purchase Order number and be sent to the address indicated in the Purchase Order. Unless otherwise specified in the Purchase Order, the Supplier may not invoice the Buyer for any amounts payable until the Goods have been delivered or the Services have been rendered. Any sales taxes, duties and transportation charges shall be shown separately on each invoice. Unless otherwise specified in the Purchase Order, the Buyer will make payment of any undisputed amounts due within 30 days upon receipt of a correct invoice or Buyer's acceptance of the applicable Goods and Services, whichever is later. For Services rendered, Buyer reserves the right to retain a ten percent (10%) statutory lien holdback. Final payment is subject to receipt of a clearance letter from the Worker's Compensation Board, certificates of insurance, as-built drawings, maintenance manuals, instructions, quality control documentation and a statutory declaration that all accounts the Supplier is responsible or liable for in respect of the Services performed, have been fully paid and satisfied. If any amount of the Purchase Price becomes subject to withholding tax or other similar payment obligation on sums due to the Supplier under this Agreement, such withholding tax amount shall be deducted from the Purchase Price with the remainder payable to the Supplier. The Buyer reserves the right to set-off against any amount owed by the Buyer under this Agreement, the amount of any claim which the Buyer may have against the Supplier as a result of any breach of this Agreement. If the Supplier fails to deliver an invoice to Buyer with respect to any charges payable by Buyer pursuant to this Purchase Order within three (3) months after the date Supplier is entitled to issue such invoice, Supplier's right to such charges shall be forfeited and Buyer will have no further obligation for the payment of such amounts.
5. **TERM.** This Agreement takes effect on the date that the Purchase Order is executed by both the Buyer and Supplier and shall continue until all Goods are delivered and all Services are performed in accordance with the terms of this Agreement, unless otherwise terminated early in accordance with Section 19 or Section 21.
6. **CHANGES.** The Buyer may at any time, by giving written notice to the Supplier, make changes in and additions or deletions to the Goods or Services set out in the Purchase Order without invalidating this Agreement. If any such change affects the Purchase Price or scheduled delivery date(s) for such Goods or Services, an equitable adjustment shall be made; provided that Supplier has submitted to Buyer a claim in writing for such adjustment within five business days following receipt by Supplier of the change ordered and a duly authorized representative of Buyer has agreed in writing to such adjustment. No substitutions of materials or accessories may be made without Buyer's prior written consent. If Supplier makes a timely claim for adjustment, the parties will negotiate such adjustment, if any, in good faith, but irrespective thereof, Supplier shall proceed without delay with performance under the Purchase Order as amended.

7. **DELIVERY.** All shipping, completion and delivery date(s) set forth in the Purchase Order for Goods and Services are firm. If any Goods or Services are not provided strictly in accordance with the scheduled delivery and/or performance date(s) specified in the Purchase Order, Buyer reserves the right to cancel the Purchase Order, in whole or in part, upon notice to Supplier, to procure substitute Goods or Services from any third party(ies) and to charge Supplier with any additional cost of such substitute Goods and/or Services and all other losses Buyer incurs as a result of Supplier's failure. The Supplier shall deliver all Goods and Services, including any drawings, manuals, specifications and instructions necessary for the operation and maintenance of the Goods or Services, as required by the terms of the Purchase Order (collectively, the "**Technical Documentation**"), to the Buyer at the address set out on the Purchase Order, or to any other location agreed to in writing by the Buyer and Supplier, on or before the scheduled delivery date(s) in accordance with any delivery terms set forth in the Purchase Order. If no Incoterm is specified, the applicable Incoterm shall be DDP (delivered duty paid – named place of destination).
8. **PACKING, MARKING & SHIPMENT OF GOODS.**
- (a) Orders must be shipped complete unless otherwise specified in the Purchase Order. The Supplier will pack all goods in a suitable manner to avoid loss or damage during shipment, having regard to the mode of shipment. All crates, packages or containers and all bills of lading, packing lists and other shipment documents will display the name of the Buyer, the Buyer's address and bear the applicable Purchase Order number.
 - (b) Goods which are shipped in excess of the amount required in the Purchase Order or Goods shipped in substitution for Goods specified in the Purchase Order may be rejected by the Buyer, and if rejected, returned to the Supplier at the Supplier's risk and expense. However, such over shipments, to the extent accepted, shall be subject to all of the terms and provisions contained in the Purchase Order without exception.
 - (c) Goods that are shipped via unspecified carriers, shipped without the appropriate "freight service" specified or shipped in non-compliance with any other shipping instructions specified in this Agreement, may be rejected by the Buyer and if rejected, returned to the Supplier at the Supplier's risk and expense. If the Buyer accepts the Goods notwithstanding the non-conformance, any extra freight costs, handling costs or other costs may be charged back to the Supplier.
 - (d) The Supplier must ship the Goods assembled to the greatest degree practical, having regard to shipping requirements and timely delivery of the Goods. Supplier shall be responsible for all damage to goods due to failure to pack or to load properly and securely. Supplier shall comply with all shipping restrictions specified in the Purchase Order or otherwise specified by Buyer.
9. **TITLE & RISK OF GOODS.** Title to each Good shall pass to the Buyer on the earlier of any payment by the Buyer for such Good and the delivery of such Good to the Buyer. Notwithstanding the foregoing, Goods remain under the care, custody and control of the Supplier and at the risk of the Supplier until they are delivered to the Buyer in accordance with this Agreement; provided that upon Buyer issuing a notice of rejection for such Good, risk of loss or damage to such Good shall pass to Supplier.
10. **INSPECTION.** All Goods ordered under the Purchase Order are subject to inspection and approval by Buyer or its customer at Supplier's premises. Prior to fabrication, Supplier shall submit to Buyer two (2) copies of the applicable quality assurance program and two (2) copies of the detailed inspection and test plan. Supplier shall permit Buyer access to Supplier's facilities for purposes of such inspection and to allow Buyer, its customer or any of their respective representatives or agents to witness Supplier's manufacturing and/or testing processes in operation. Supplier shall provide Buyer with at least fourteen (14) calendar days' prior notice of all final inspections or tests performed by Supplier, and Buyer, its customer or any of their respective representatives may attend such inspections or tests. In the event any Goods and/or Services covered by the Purchase Order do not conform to the specifications, drawings, designs or instructions set forth in the Purchase Order, with any guarantee or warranty of Supplier or with any requirement of the Purchase Order, Buyer shall have the right to reject all such Goods and Services and, in the case of Goods, if such Goods have been delivered, returned them at Supplier's expense and/or in case of Services, if such Services have been performed, have such Services reperfomed or corrected at Supplier's expense. Buyer will provide notice of acceptance or rejection of the Goods within thirty (30) days (the "Acceptance Period") of delivery. Notwithstanding the foregoing, the Acceptance Period for any Good which is equipment intended to be installed and operated in facilities in accordance with any performance requirements stated in the specifications set forth in this Purchase Order shall be a period of not more than six (6) months after delivery, commencing upon delivery and ending when the equipment has been properly installed and operating in accordance with such performance requirements, within applicable design conditions. If the Buyer does not provide notice within this period it will be deemed to be have accepted the Good or Service. Neither receipt of nor shall payment of any Good or Service be deemed acceptance thereof. Supplier is liable and responsible for making good any defect or nonconformance. In the event of any of the equipment, material or parts being rejected by the Buyer leading to rework / disassembly of the unit and / or scrapping of all or part of material supplied, Buyer reserves the right to recover from the Supplier all the associated costs incurred due to the rejection. No rights of Buyer shall be waived or obligations of Supplier affected by virtue of Buyer's inspection or lack of inspection.
11. **REJECTION.** Rejected Goods shall be at the Supplier's risk from the time of rejection and Buyer shall not be liable for any restocking charges, any shortages or any quality deterioration on any account. Buyer, at their sole discretion, shall have the option to dispose of the Goods so rejected and not taken back within thirty (30) days from the date of notice of rejection, is provided to Supplier. Disposal charges, if any, will be debited to Supplier.
12. **SUPPLIER PERFORMANCE REPORTS.** Supplier will provide Buyer written updates on a monthly basis on the status of their performance regarding quality and schedule.

13. **WARRANTIES.**

(a) *General Warranties* - The Supplier expressly warrants that:

- (i) each of the Goods delivered shall be new, of suitable quality and fit for the purpose specified in the specifications and comply with all requirements of the Agreement;
- (ii) title to each of the Goods delivered shall be free of liens, charges, encumbrances and adverse claims of any kind whatsoever;
- (iii) Goods delivered will be adequately contained, packaged, marked and labeled;
- (iv) Goods and Services supplied under this Agreement shall be free of defects and deficiencies;
- (v) all Technical Documentation delivered in respect of Goods or Services shall be free of errors and comply with the requirements of the Purchase Order and be prepared by qualified and experienced professionals with a degree of skill, care and diligence normally exercised by a professional in the preparation of similar documentation;
- (vi) the Supplier shall perform the Services in accordance with the standards of care, skill and diligence of an experienced professional in the Supplier's field and in a competent and efficient manner;
- (vii) the Supplier at all times will provide qualified, skilled and competent personnel for the performance of the Services;
- (viii) the Supplier shall comply, and shall cause each subcontractor to comply, with all laws, rules, regulations, statutes, orders, directions (including, without limitation, labour, workers' compensation, occupational health and safety and environmental laws), imposed by any governmental, public, judicial or quasi-judicial authority which are now or may become applicable to the Goods and Services or the performance of the obligations hereunder;
- (ix) the Goods and Technical Documentation will conform to the requirements of all laws, regulations and orders and with all permits and licences issued as of the execution of this Agreement that are applicable to the design, manufacturing, sale, use and operation of the Goods. The Goods and Technical Documentation will comply with all technical codes and standards specified in the Purchase Order and, in the absence of specification, with applicable codes and standards of the jurisdiction in which the Goods are to be delivered; and
- (x) Supplier shall refrain from engaging in any unfair or unethical business practice in provision of the Goods and Services.

(b) *Warranty Against Defect and Deficiencies*

- (i) The Supplier warrants that Goods will meet the quality and performance specifications contained in this Agreement and will be free from defects and deficiencies in design, workmanship or materials that appear within a period expiring on either: (A) the earlier of twenty-four (24) months after the date of energization of the Goods at the end-user's site or thirty (30) months after acceptance hereunder; or (B) if expressly stated in the Purchase Order, such other warranty period as specified in the Purchase Order (the "**Warranty Period**"). The Supplier shall repair or replace, at its own expense, any portion of the Goods failing to meet this warranty during the Warranty Period including any damage to other components, equipment or parts resulting from such defects. Repair or replacement must be carried out promptly after notice of such defect or deficiency is delivered from the Buyer and at the time(s) and in the manner specified by the Buyer and/or end-user. After the repair or replacement of such Goods under the initial warranty, such Goods repaired or replaced are further warranted by the Supplier for an additional twelve (12) months from the date of acceptance of such repair or replacement.
- (ii) If during the Warranty Period or within thirty (30) days thereafter, Buyer provides notice, after the acceptance of any Service performed by the Supplier that such Service fails to meet the warranties set out hereunder, the Supplier shall, at its own expense, re-perform such Services including repair or replace any damage to other components, equipment or parts resulting from such defects. Such corrective action shall be carried out promptly at a time(s) approved by the Buyer and in such a manner that will avoid or minimize any disruption to the end-user's business or the work of any other service providers. After the correction of such Services under the initial warranty, such Services re-performed are further warranted by the Supplier for an additional twelve (12) months from the date of acceptance of such correction.
- (iii) If the Supplier fails to correct any defects or deficiencies in a timely manner in accordance with this Agreement, the Buyer may have the defect or deficiencies corrected and the Supplier shall reimburse the Buyer for all reasonable expenses incurred by the Buyer to correct such defect or deficiencies.

(c) *Subcontractor Warranties* – To the extent it is commercially reasonable, the Supplier shall ensure that all warranties, performance guarantees or similar obligations given by a subcontractor are assignable to the Buyer and/or End User

without the consent of the subcontractor. Warranties, performance guarantees and similar obligations given by any subcontractor and any assignment thereof do not relieve the Supplier of its obligations under this Agreement.

(d) *Applicability of Warranties*

- (i) The warranty and any performance guarantees in the Purchase Order will cease to be effective for any part of the Goods (i) that is not operated, stored, installed in a safe and reasonable manner or in accordance with written operating and maintenance instructions provided by the Supplier or (ii) that does not conform to the specifications in the Purchase Order as a result of reasonable wear and tear or alteration.
- (ii) The warranties and remedies set forth in this Article are the Suppliers only obligations and liability arising out of or in connection with defective or deficient Goods or Services or both, whether based on warranty, contract, tort (including negligence) or otherwise. The Supplier makes no other warranties, express or implied, including without limitation, warranties of merchantability.

14. **CONFIDENTIALITY.**

- (a) Supplier agrees that unless it has received the prior written consent of Buyer, it shall hold all information, in any form whatsoever, provided by Buyer in strict confidence. Supplier shall not disclose such information to any third party or use information for any purpose other than the provision of Goods and/or Services, and shall take all necessary and appropriate steps to safeguard the information from disclosure. Supplier shall ensure that its employees, agents, representatives, subcontractors, and other persons under the control of the Supplier comply with the foregoing, and shall be responsible for any breaches of this Section. Upon completion, termination or breach of the Purchase Order or when so directed by Buyer, Supplier shall return all confidential information to Buyer.
- (b) The Supplier shall not, without the Buyer's prior written consent make any releases or announcements or communicate in any other manner with any news media or any other third party with respect to the supply of Goods or Services under this Agreement.
- (c) Without first obtaining the Buyer's consent, the Supplier shall not allow unauthorized personnel to visit the site of any of the Buyer's and/or its customer's operations or take, or allow anyone else to take, any photographs of the Buyer's and/or its customer's site.

15. **INTELLECTUAL PROPERTY.**

- (a) Unless otherwise stated in the Purchase Order, all information and know-how including drawings, specifications and other data provided by the Buyer in connection with this Agreement as well as any documents or data derived from such information and know-how shall remain at all times the property of the Buyer or its affiliates (as the case may be) and may be used by the Supplier only for the purpose of performing the Agreement. Any intellectual property rights arising from the performance of the Agreement shall become the property of the Buyer.
- (b) All plans, drawings, technical specifications, documents, software or proprietary information relating to the Goods delivered hereunder shall be treated in confidence by the Buyer. They remain Supplier's exclusive property and may be neither copied or reproduced to a third party (other than End User) in any way whatsoever nor used for manufacture of the Goods or parts thereof.
- (c) The Supplier hereby grants to the Buyer and End User, its affiliates and their respective successors and assigns, an irrevocable, perpetual, non-exclusive, non-transferrable, royalty free and world-wide right to use all systems, programs, documentation, know-how or other intellectual property rights embodied into the Goods and/or Services, as Buyer and/or End User determine necessary, to fully operate, maintain and repair the Goods and/or Services as intended.
- (d) The Supplier hereby warrants that the Goods and Services provided hereunder will not infringe any patent, copyright, trademark or any other intellectual property right of any person. The Supplier shall pay the royalties and patent license fees required for the performance of the Agreement. If any of the Goods and Services or related documentation, components, parts or equipment modifications constitutes an infringement of such intellectual property right, the Supplier shall at its option, procure at the Supplier's expense the necessary rights, modify or replace the Goods or Services or part thereof such that it no longer infringes or pay Buyer for the loss of use of same and consequential damages or losses, which occur as a result of the alleged infringement.

16. **INDEMNIFICATION & LIABILITY.**

- (a) *Supplier Indemnity for Injury and Claims* - The Supplier agrees to indemnify and hold harmless the Buyer and its affiliates and their respective directors, officers, employees, agents, representatives and End User (collectively, the "**Buyer Indemnitees**") from and against any and all claims, demands, actions, causes of actions, suits, proceedings or costs (including legal costs), made or brought against the Buyer Indemnitees for loss of or damage to property or personal injury, including death of any person, which arises from, or in any way relates to, Supplier's performance under this Agreement.

- (b) *Supplier Indemnity for Intellectual Property Right Infringement* - The Supplier will indemnify and hold harmless the Buyer Indemnitees from and against any and all claims, demands, actions, causes of action, suits and proceedings, including but not limited to all legal, accounting and expert costs and expenses incurred in the investigation, defense or settlement thereof, arising out of or relating to any actual or alleged infringement of a third party intellectual property right by the Goods or the result of the Services. The Buyer shall give the Supplier prompt notice of any such claims made or brought against the Buyer, of which the Buyer becomes aware.
- (c) *Limitation of Liability* - Notwithstanding any other term of this Agreement, neither party shall be liable for any claim for loss of profit or business, any special, indirect or consequential damages of any kind or however arising, unless and to the extent specifically provided herein. Other than gross negligence, willful misconduct, confidentiality, infringement claims, third party claims and the performance of the warranty obligations hereunder, the liability of the Supplier for all claims, judgement, expenses related to or resulting from any loss or damage arising out of performance or non-performance of any obligations under the Agreement shall in no case exceed the greater of the Purchase Price and the total amount recoverable under policies of insurance coverage and limits as then are in effect described in Section 17 Insurance.

17. **INSURANCE.** The Supplier shall obtain and continuously carry during the term of this Agreement until expiry of the latest Warranty Period, at its own cost and expense and, to the extent not covered by its policies, shall cause any subcontractors to obtain and carry the following insurance coverage with the minimum limits set out below:

- (a) Worker's compensation coverage for all employees engaged in the Services in accordance with the statutory requirements of the applicable jurisdiction. Prior to the commencement of any Services, Supplier will provide Buyer a letter or other evidence from the Workers' Compensation Board that the account of Supplier is in good standing;
- (b) Automobile liability insurance covering all motor vehicles owned, rented or leased, operated and/or licensed by Supplier, with a limit of not less than Two Million Dollars (\$2,000,000) for each occurrence involving bodily injury, death or property damage;
- (c) Comprehensive general liability insurance with a bodily injury, death and property damage limit of not less than Five Million Dollars (\$5,000,000) per occurrence and including the Buyer, its personnel and its customer as additional insured; and, without restricting the generality of the foregoing provisions, such coverage shall include (but not limited to) extensions known as Employers Liability, Contingent Employers Liability, Cross Liability and Severability of Interest, Broad Form Property Damage, Blanket Contractual, Products and Broad Form Completed Operations, Personal Injury, Non-owned Automobile Liability, Owners and Contractors Protective Liability, Sudden and Accidental or Limited Pollution;
- (d) Contractor's equipment insurance covering all equipment owned or rented by the Supplier which is in any way involved in the Services against all-risks of loss or damage with coverage sufficient to allow for the full replacement value of such equipment, which shall include a waiver of subrogation in favour of Buyer and End User;
- (e) Professional liability insurance covering any errors, omissions or negligent acts arising out of professional services rendered by the Supplier, with a limit of liability of not less than Two Million Dollars (\$2,000,000);
- (f) insure all Goods against loss or damage up to the time of delivery on an "all-risks" and "replacement cost" basis; and
- (g) such additional coverage as may be required by law or as may be reasonably required by the Buyer from time to time.

Prior to commencement, the Supplier will deliver to the Buyer certificates of insurance evidencing compliance with the foregoing to the reasonable satisfaction of the Buyer. The insurance provided by the Supplier and any subcontractor pursuant to this Section 17 shall: (A) be primary and not contributory to any policies of insurance maintained by the Buyer; (B) where applicable contain a waiver of subrogation in favour of the Buyer and End User and be named as an "additional insured"; and (C) provide the Buyer with 30 days prior notice of any cancellation or material modification of such insurance. If any warranty claim is made by the Buyer, the Supplier shall ensure that the Supplier, and if applicable any subcontractor, maintains the required insurance coverage while repairing or replacing Goods or re-performing Services, as applicable.

18. **ON-SITE SERVICES.** If the Supplier or any of its personnel perform any Services on or otherwise entering onto premises owned, occupied or controlled by Buyer's customer, including any delivery, inspection or repair of Goods on such premises, the following provisions shall apply:

- (a) Supplier and its personnel must adhere to all Buyer's and its customer's standards, policies and procedures communicated to Supplier by Buyer from time to time and the Supplier shall be responsible for the observance thereof by all its subcontractors and their personnel;
- (b) The Services performed on any site shall be confined to the areas designated by Buyer. Supplier shall ensure Buyer's customer's sites are kept tidy and free of debris. Upon completion of the Services or when directed by Buyer, Supplier shall promptly remove any debris and leave the site in a clean condition.
- (c) Supplier shall be responsible for ensuring that its personnel are properly trained under and comply with all Applicable Law regarding health and safety and the environment, including related to the generation, storage, handling, transportation, release, abatement or disposal of hazardous or toxic goods, materials or substances;

- (d) Supplier shall be responsible for ensuring that its personnel are properly trained under and comply with the Workplace Hazardous Materials Information System ("WHMIS") legislation of the jurisdiction in which the Service is performed. No WHMIS Controlled Products shall be brought on any site unless Buyer has first been provided with Material Safety Data Sheets in respect of such products and obtained Buyer's written approval. Supplier shall be responsible for disposing of all hazardous materials brought onto any site by Supplier in accordance with Applicable Law and any additional Buyer requirements;
- (e) Prior to the commencement of the Services, Supplier shall provide Buyer with a copy of Supplier's relevant quality assurance / quality control documentation governing its practices and procedures that relates to the Services, and shall employ them in the performance of the Services;
- (f) If the activities of Supplier result in the contamination of Buyer's customer's site, the Supplier shall remediate the site and take such further action in the manner and to the satisfaction of Buyer and its' customer;
- (g) Supplier and its personnel shall cooperate and coordinate with Buyer's employees and other suppliers who may be performing other work on-site. Supplier shall perform the Services as not to hinder, delay or interfere with Buyer's operations, Personnel or suppliers. Supplier agrees that it will not be entitled to nor will it claim an adjustment to the Purchase Order or any additional time by reason of the fact that Supplier is required to share the site and cooperate with others;
- (h) All construction equipment provided by the Supplier to complete the Services shall be modern, in good working condition and suitable for the satisfactory performance of the Services;
- (i) Supplier shall provide a sufficient number of personnel to enable timely and proper execution and completion of the Services. At the Buyer's request, Supplier will reassign, replace or remove personnel who, in the Buyer's opinion, are unsafe, unqualified, unsatisfactory with respect to the performance of the Services or who have committed a violation of the Buyer's and/or its customer's policies and procedures. In circumstances where in Buyer's sole opinion, there is any non-compliance with Section 18(c), Buyer may immediately suspend performance of this Purchase Order until Buyer is satisfied that such non-compliance has been remedied. In such case, Supplier shall not be entitled to recover any additional expenses incurred by it and the delivery date shall not be extended;
- (j) Buyer has authority in an emergency to stop the progress of the Services whenever, in its opinion, such stoppage may be necessary to ensure the safety of life on any part of the Services, the site or neighboring property. Buyer has the authority to make any changes, in its opinion, may be necessary to ensure such safety;
- (k) Supplier shall allow Buyer and its customer right of inspection and audit of site conditions and all pertinent health and safety performance records to measure adherence to health and safety objectives. Such inspections and/or audit may take place without prior warning or notice of intent;
- (l) Supplier agrees and covenants to carefully examine all work (of the Supplier or others) near to or necessary to work, detect and notify Buyer of all defects or delays therein, and cooperate with the Buyer and others in order to ensure that the work under this Agreement is properly integrated and functions properly; and
- (m) If required, Supplier will provide bond coverage with a surety and in a form acceptable to Buyer and must maintain such coverage in good standing until issue of the relevant certificate of Substantial Performance. The cost of such coverage shall be borne by the Supplier.
- (n) Supplier shall:
 - (i) Indemnify, defend and save harmless Buyer and its customer from all liens or claims made with respect to the Services or the property on which the Service is performed; and
 - (ii) keep such property free and clear of any and all liens or claims arising in connection with the performance of its obligations under this Agreement.

19. **TERMINATION AND SUSPENSION.**

- (a) *Termination for Default* - Without restricting any right or remedy available to the Buyer, whether pursuant to this Agreement or otherwise, this Agreement or any portion hereof may be terminated by the Buyer on notice to the Supplier if the Supplier becomes bankrupt, takes any steps or proceedings available to it for the benefit of its debtors, becomes insolvent, takes any steps or proceedings for its dissolution or winding up, or it is in breach of any of its obligations under this Agreement and fails to cure the breach, or provide a mutually acceptable plan to cure such breach, within 5 business days after receiving written notice from the Buyer. In the event of termination for default, the Supplier must immediately stop all work and will be liable to the Buyer for all damages, losses and liabilities incurred by the Buyer resulting from the Supplier's breach.

- (b) *Termination for Convenience* - The Buyer may terminate this Agreement in its entirety for its convenience at any time by delivering a written notice to the Supplier. In the event of termination for convenience, the Supplier must immediately stop all work and the Buyer shall pay for all Goods and Services delivered in accordance with this Agreement up to the date of such termination.
- (c) *Suspension* – Buyer may suspend performance of this Purchase Order, in whole or in part, at any time upon written notice to Supplier. The Supplier shall take all reasonable steps to minimize costs associated with the suspension. Upon written notice of Buyer to Supplier requesting resumption of performance, Supplier shall promptly resume performance of this Purchase Order to the extent requested by Buyer. The delivery date shall be extended by a period equal to the period of suspension, unless otherwise agreed to by the Parties. The Supplier shall not be entitled to any further payment or compensation arising from or connected with the suspension of this Purchase Order.
- (d) *Survival of Obligations* - Notwithstanding any termination of this Agreement or the completion by the Supplier of its obligations hereunder, the provisions of Section 13, Section 14, Section 15, Section 16 and Section 17 shall survive such termination.
20. **ESTIMATED QUANTITIES.** If this Purchase Order is issued on the basis of estimated quantities and a “Not to Exceed” dollar amount, it is agreed that quantities contained herein are Buyer’s best estimate of required quantities from the information available at time of execution of the Purchase Order. It is further agreed that quantities and extended prices contained herein are for Purchase Order issuance purposes only and that Supplier will only be reimbursed for those quantities actually delivered and accepted at the unit rates contained herein whether such quantities are less than or greater than the estimated quantities. Quantities on the Purchase Order must not be exceeded by Supplier without prior written authorization from Buyer. Supplier shall notify Buyer in writing when Supplier has earned eighty (80%) percent of the Purchase Price in its performance of the Services, and either confirm that the remaining Services can be completed within the Not to Exceed amount or indicate that such estimate is insufficient to complete the remaining Services in which case, Supplier shall provide Buyer with a detailed estimate required to complete such remaining Services.
21. **PERMITS.** Unless otherwise agreed by the parties, the Supplier shall apply, pay for and obtain all necessary permits required for the performance and completion of the Supplier’s obligations under this Agreement including all work permits and visas for any personnel. The Supplier shall comply, and shall cause each subcontractor to comply, with the terms and conditions of all permits obtained by the Supplier and with the terms and conditions of any permits already held by the Buyer which are provided by the Buyer to the Supplier. Where applicable, Supplier shall be responsible for ensuring that it and its personnel are members in good standing with the professional associations with which they are affiliated and in which membership is necessary for performance of this Agreement.
22. **FORCE MAJEURE.** If performance of the Agreement, in whole or in part, is prevented or delayed due to a Force Majeure event (i.e. any unforeseeable and unavoidable event beyond a parties’ reasonable control and which cannot be overcome despite reasonable efforts of the affected party. For the avoidance of doubt, factory unrest and employee strikes of any kind, as well as production bottlenecks, or the lack of required import licenses or import authorizations of the authorities, lack of qualified personnel, lack of material, or financial problems on the part of the affected party shall not be deemed to be Force Majeure events.), then the time for performance shall be modified accordingly, subject to the delayed party promptly (but at the latest within three business days of becoming aware of the event) notifying the other party of the event and taking all reasonable steps to reduce the resulting delay. If the Force Majeure event lasts for more than thirty (30) days, Buyer may terminate the Agreement without incurring any liability.
23. **ASSIGNMENT.** The Supplier shall not assign or subcontract any part of this Agreement without the prior written consent of the Buyer.
24. **SUBCONTRACTORS.** Supplier shall not subcontract all or any part of its obligations hereunder without Buyer’s prior written consent, except for the purchase of raw materials and components in the ordinary course of Supplier’s business. If Supplier subcontracts for the supply of Goods or provision of Services, any such subcontracts will require them to perform their obligations in accordance with the terms and conditions of this Agreement. Notwithstanding the entering into any subcontract by the Supplier, the Supplier shall not be relieved of any its liabilities and responsibilities hereunder and shall remain fully liable for the provision of Goods and/or Services, and no such subcontract shall create any relationship between any subcontractor and Buyer. Supplier shall enforce the warranty obligations of its subcontractors, and upon request of the Buyer, shall assign any warranty to the Buyer and/or its customer.
25. **INDEPENDENT CONTRACTOR.** The Supplier is an independent contractor to the Buyer. Neither this Agreement nor the performance of the obligations hereunder creates between the Buyer and any of its affiliates and the Supplier and any of its affiliates the relationship of principal and agent, partners, joint venturers or any legal relationship other than that of an independent contractor. The Supplier has no authority, and shall not represent itself to have authority, to enter into any legal obligation binding upon the Buyer or any of its affiliates or otherwise act in any manner for, or on behalf of, the Buyer or any of its affiliates.
26. **AUDIT.** Supplier shall preserve its documents and records in respect of the Services performed from their creation for that period required by law and in any event for five (5) years following the earlier of the completion of the Services or the termination of this Purchase Order. Buyer and its customer shall have access, at all reasonable times, to non-proprietary files and records pertaining to this Purchase Order for the purpose of auditing and verifying that charges are in accordance with the terms and specifications of this Agreement.

27. **DISPUTE RESOLUTION.**
- (a) In the event of a dispute under this Purchase Order, the parties shall work together in good faith to resolve the matter. The Parties shall, within thirty (30) days after one Party notifies the other in writing of an unresolved dispute, convene a meeting to develop an action plan to resolve to resolve the dispute. If the action plan fails to resolve the dispute within thirty (30) days after delivery of the original notice, the dispute shall be escalated to the appropriate executives for each Party. If the dispute cannot be resolved by the respective Party executives within fifteen (15) days after the time it was referred to them, then either Party may commence an action unless the Parties have agreed to an alternate form of dispute resolution. The foregoing provision shall not prevent a party from initiating a claim in order to preserve a limitation period.
 - (b) Notwithstanding the existence of any dispute, the Supplier shall continue to diligently perform its obligations under this Purchase Order in accordance with the directions of the Buyer. Provided the Supplier has provided all applicable notices to the Buyer with respect to such dispute, the Supplier's continued performance of the of its Purchase Order obligations shall not prejudice any right of the Supplier to contest, dispute or challenge the relevant matter in accordance with the provisions of this Agreement.
28. **NOTICES.** All notices and other communication from the Buyer to the Supplier or the Supplier to the Buyer will be directed to the addresses in the Purchase Order or such other addresses as a party may direct in writing from time to time. Each notice or communication delivered may be given personally, by courier, email, facsimile or pre-paid registered mail. Notices which are delivered personally or by courier, or sent by electronic transmission will be deemed to be received on the next business day following the day on which they are served or transmitted. Notices given by pre-paid registered mail are deemed to have been received 5 business days following the mailing thereof.
29. **NO WAIVER.** No inspection, review, approval or payment given or made by or on behalf of the Buyer relieves the Supplier of its obligations under this Agreement. No failure by the Buyer to inform the Supplier of a breach constitutes a waiver of the rights and remedies of the Buyer in respect thereof. No waiver by the Buyer of any particular breach of the Supplier will constitute a waiver of any continuing or subsequent breach by the Supplier. Any waiver given by the Buyer must be in writing and signed by the Buyer.
30. **AMENDMENTS.** No amendment or modification to this Agreement is valid or binding upon the parties unless it is in writing and executed by both the Buyer and the Supplier.
31. **ENUREMENT.** This Agreement is binding upon the parties and their respective successors and permitted assignees.
32. **RIGHTS & REMEDIES.** Any rights and remedies of a party specified in this Agreement are in addition to, and are not in substitution for, or in any manner limiting, the rights and remedies of such party available at law or in equity.
33. **EXPORT CONTROL.** Buyer will not export or re-export goods (hardware and/or software and/or technology as well as corresponding documentation, regardless of the mode of provision) delivered by Supplier or services (including all kinds of technical support) performed by Supplier to a third party.
34. **SEVERABILITY.** If any term, condition or provision of this Agreement is determined to be illegal, void or unenforceable, that provision will be severed from this Agreement to the extent required and the remaining provisions will continue in full force and effect.
35. **GOVERNING LAW.** This Agreement shall be governed by and will be construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein. Conflict of laws principles or rules that would impose the laws of any jurisdiction other than the laws of Alberta or Canada where applicable, on the construction of this Agreement shall be excluded. The parties attorn to the exclusive jurisdiction of the Alberta courts with respect to any matter arising under the Agreement.