



Purchase Order Terms and Conditions

Each Purchase Order placed by Buyer for Goods, Deliverables and/or Services is subject to these purchase order terms and conditions and the terms of the applicable Purchase Order, and is conditional upon Supplier's agreement to such terms. Supplier shall be deemed to have agreed to be bound by such terms by accepting the Purchase Order, delivering the Goods or Deliverables and/or performing the Services.

1. **Definitions.** In these Purchase Order Terms and Conditions, the following definitions apply:
 - a. "Agreement" means the agreement between Supplier and Buyer for the purchase and sale of Goods, Deliverables and/or Services and includes an Executed Agreement (if any).
 - b. "Applicable Law" means all applicable federal, provincial, and municipal laws, regulations, standards, and codes and includes decisions, directions and orders of courts of law and governmental agencies that have jurisdiction over the Supplier or the Goods, Deliverables and/or Services.
 - c. "Buyer" means an authorized representative of Larsen & Shaw Ltd.
 - d. "Deliverable" means any deliverable or other output or result from Services that is referred to in a Purchase Order, and any related materials, data, documentation, and includes any Intellectual Property Rights developed by Supplier pursuant to such Purchase Order.
 - e. "Delivery Date" means the date of delivery for Goods or Deliverables or performance of Services as specified in a Purchase Order.
 - f. "Delivery Point" means the location identified by Buyer in the Purchase Order to which the Supplier is to deliver Goods or Deliverables and/or perform the Services, or such other delivery area or point which is specified in writing by Buyer.
 - g. "Executed Agreement" means a written agreement signed by the Buyer and the Supplier governing Buyer's purchase of the Goods, Deliverables and/or Services but does not include Other Terms.

- h. “Goods” means the goods that are required to be delivered by Supplier pursuant to a Purchase Order, and includes all materials, component parts, packaging and labelling of such goods.
- i. “Intellectual Property Rights” means all intellectual and industrial property rights and rights of a similar nature including all rights in and to, patents including all issued patents and pending applications therefore and patents which may be issued therefrom (including divisions, reissues, re-examinations, continuations and continuations-in-part); trade-marks; copyrights; industrial design rights; rights pertaining to trade secrets and confidential information; publicity rights; personality rights; moral rights; and other intellectual property rights whether registered or not and all applications, registrations, renewals and extensions pertaining to the foregoing.
- j. “Other Terms” means terms contained in an end user license agreement, click-through agreement, or other additional terms of use or similar terms provided by Supplier in respect of Goods, Deliverables and/or Services.
- k. “Purchase Order” means the purchase order between Buyer and Supplier for the purchase and sale of Goods, Deliverables and/or Services, to which these Purchase Order Terms and Conditions are attached or are incorporated by reference.
- l. “Services” means any services to be provided by Supplier to Buyer pursuant to a Purchase Order.
- m. “Specifications” means the requirements, attributes and specifications for the Goods, Deliverables or Services that are set out in the applicable Purchase Order. Specifications also include: (a) documentation published by Supplier relating to the Goods, Deliverables or Services; (b) operational and technical features and functionality of the Goods, Deliverables or Services; (c) standards or levels of service performance for Services; and (d) Buyer business requirements that are expressly set out in a Purchase Order.
- n. “Supplier” means the party indicated on the face page of the Purchase Order that is contracting with Buyer for the purchase and sale of Goods, Deliverables and/or Services.
- o. “Supplier Proposal” means any acknowledgement, estimate, quote, offer to sell, invoice, or proposal of Supplier relating to the supply of Goods, Deliverables and/or Services to Buyer, including any delivered in connection

with a request for quotations, request for proposal or similar process initiated by Buyer.

- p. “Warranty Period” means in respect of any Goods, Deliverables or Services, the longer of: (i) the express written warranty period provided by Supplier for the Goods, Deliverables or Services; and (ii) the period commencing on the date of Acceptance of such Goods, Deliverables or Services and ending on the date that is one (1) year from that date.

2. Agreement.

- a. The Agreement consists only of: (i) the Written Agreement (if any) including any requirements, attributes and specifications for the Goods, Deliverables or Services described therein; (ii) these Purchase Order Terms and Conditions; (iii) the applicable Purchase Order; and (iv) any Specifications or other documents expressly referenced in the Purchase Order. Any reference in the Purchase Order to any Supplier Proposal is solely for the purpose of incorporating the descriptions and specifications of the Goods, Deliverables and/or Services contained in the Proposal, and only to the extent that the terms of the Supplier Proposal do not conflict with the descriptions and Specifications set out elsewhere in the Agreement. Buyer’s acceptance of, or payment for, Goods, Deliverables and/or Services will not constitute Buyer’s acceptance of any Other Terms or additional or different terms in any Supplier Proposal, unless otherwise accepted in writing by Buyer. If there is any conflict or inconsistency between the documents constituting the Agreement, then unless otherwise expressly provided in the Written Agreement, the conflict or inconsistency in the documents will be resolved by the order of precedence set out in this Section 2(a).
- b. Other Terms will not be binding on the Buyer. If end users are required to accept Other Terms to access the Goods, Deliverables or Services, such end users only “accept” such Other Terms as a means to proceed and not to bind the Buyer.

3. Delivery of Goods and Services.

- a. Supplier agrees to supply and deliver the Goods or Deliverables to Buyer and to perform the Services, as applicable, on the terms set out in this Agreement.
- b. Supplier shall, at its own expense, pack, load, and deliver Goods to the Delivery Point and in accordance with the invoicing, delivery terms, shipping,

packing, and other instructions printed on the face of the Purchase Order or otherwise provided to Supplier by Buyer in writing. No charges will be allowed for freight, transportation, insurance, shipping, storage, handling, demurrage, cartage, packaging or similar charges unless provided for in the applicable Purchase Order or otherwise agreed to in writing by Buyer.

- c. Time is of the essence with respect to delivery of the Goods or Deliverables and performance of Services. Goods and Deliverables shall be delivered and Services performed by the applicable Delivery Date. Supplier must immediately notify Buyer if Supplier is likely to be unable to meet a Delivery Date. At any time prior to the Delivery Date, Buyer may, upon notice to Supplier, cancel or change a Purchase Order, or any portion thereof, for any reason, including, without limitation, for the convenience of Buyer or due to failure of Supplier to comply with this Agreement, unless otherwise noted.
- d. Title and risk of loss or damage shall pass to Buyer upon receipt of Goods at the Delivery Point, unless otherwise agreed to by the Buyer in writing. Buyer has no obligation to obtain insurance while Goods are in transit from Supplier to the Delivery Point.
- e. Supplier shall follow all instructions of Buyer and cooperate with Buyer's customs broker as directed by Buyer (including by providing requested shipping documentation) with respect to all Goods that originate from sources or suppliers based outside Canada. Supplier shall comply with all the requirements of the Canada Border Services Agency (or any successor organization) with respect to the importation of Goods from outside Canada.

4. Inspection; Acceptance and Rejection.

- a. All shipments of Goods, provision of Deliverables and performance of Services shall be subject to Buyer's right of inspection. Buyer shall have **one hundred and twenty (120) days** (the "**Inspection Period**") following the delivery of the Goods at the Delivery Point, provision of the Deliverables or performance of the Services to undertake such inspection, and upon such inspection Buyer shall either accept the Goods, Deliverables or Services ("**Acceptance**") or reject them. Buyer shall have the right to reject any Goods that are delivered in excess of the quantity ordered or are damaged or defective. In addition, Buyer shall have the right to reject any Goods, Deliverables or Services that are not in conformance with the Specifications or any term of this Agreement. Transfer of title to Buyer of Goods shall not

constitute Buyer's Acceptance of those Goods. Within the Inspection Period, Buyer shall provide Supplier with notice of any Goods, Deliverables or Services that are rejected, together with the reasons for such rejection. If Buyer rejects Services or Deliverables, Supplier will re-perform the Services and, if applicable, provide updated Deliverables within 10 days at no additional cost in a manner that remedies the reason(s) for rejection identified by Buyer; in such case, the Inspection Period and Acceptance process will begin again. If Buyer does not provide Supplier with any notice of rejection within the Inspection Period, then Buyer will be deemed to have provided Acceptance of such Goods, Deliverables or Services. Buyer's inspection, testing, or Acceptance or use of the Goods, Deliverables or Services hereunder shall not limit or otherwise affect Supplier's warranty obligations hereunder with respect to the Goods, Deliverables or Services, and such warranties shall survive inspection, test, Acceptance and use of the Goods, Deliverables or Services.

- b. Buyer shall be entitled to return rejected Goods to Supplier at Supplier's expense and risk of loss for, at Buyer's option, either: (i) full credit or refund of all amounts paid by Buyer to Supplier for the rejected Goods; or (ii) replacement Goods to be received within the time period specified by Buyer. Title to rejected Goods that are returned to Supplier shall transfer to Supplier upon such delivery and such Goods shall not be replaced by Supplier except upon written instructions from Buyer. Supplier shall not deliver Goods that were previously rejected on grounds of non-compliance with this Agreement, unless delivery of such Goods is approved in advance by Buyer and is accompanied by a written disclosure of Buyer's prior rejection(s).

5. **Price/Payment Terms.** Prices for the Goods, Deliverables and/or Services will be set out in the applicable Purchase Order. Unless otherwise stated in the Purchase Order, all amounts are payable to Supplier, and will be paid by Buyer, in Canadian currency. Price increases or charges not expressly set out in the Purchase Order shall not be effective unless agreed to in advance in writing by Buyer. Supplier will issue all invoices on a timely basis. All invoices delivered by Supplier must meet Buyer's requirements, and at a minimum shall reference the applicable Purchase Order. Buyer will pay the undisputed portion of properly rendered invoices thirty-five (35) days from the invoice date. Buyer shall have the right to withhold payment of any invoiced amounts that are disputed in good faith until the parties reach an agreement with respect to such disputed amounts and such withholding of disputed amounts shall not be deemed a breach of this Agreement nor shall any

interest be charged on such amounts. Notwithstanding the foregoing, Buyer agrees to pay the balance of the undisputed amounts on any invoice that is the subject of any dispute within the time periods specified herein.

6. **Taxes.** Unless otherwise stated in a Purchase Order, all prices or other payments stated in the Purchase Order are exclusive of any taxes. Supplier shall separately itemize all applicable taxes on each invoice and indicate on each invoice its applicable tax registration number(s). Buyer will pay all applicable taxes to Supplier when the applicable invoice is due. Supplier will remit all applicable taxes to the applicable government authority as required by Applicable Law. Notwithstanding any other provision of this Agreement, Buyer may withhold from all amounts payable to Supplier all applicable withholding taxes and to remit those taxes to the applicable governmental authorities as required by applicable laws.
7. **Hazardous Materials.** Supplier agrees to provide, upon and as requested by Buyer, to satisfy any Applicable Law governing the use of any hazardous substances either of the following: (a) all reasonably necessary documentation to verify the material composition, on a substance by substance basis, including quantity used of each substance, of any Goods or Deliverables, and/or of any process used to make, assemble, use, maintain or repair any Goods or Deliverables; or (b) all reasonably necessary documentation to verify that any Goods or Deliverables and/or any process used to make, assemble, use, maintain or repair any Goods or Deliverables, do not contain, and the Services do not require the use of, any particular hazardous substances specified by Buyer.
8. **Compliance with Laws; Compliance with Buyer Policies; Workplace Safety.**
 - a. In carrying out its obligations under the Agreement, including the performance of Services, Supplier shall at all times comply with Applicable Law. Supplier shall obtain all applicable permits, licences, exemptions, consents and approvals required for the Supplier to manufacture and deliver the Goods and/or Deliverables and perform the Services.
 - b. To support Buyer's compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**"), Supplier represents and warrants that Supplier: (i) does not and will not use forced or child labour (as defined in the Act); and (ii) has taken and will continue to take reasonable steps to reduce the risk that forced labour or child labour (as defined in the Act) is used in the Supplier's supply chain. Additionally, Supplier covenants

to provide information and evidence reasonably requested by the Buyer in connection with (i) and (ii) of this section.

- c. The Supplier shall at all times comply, and ensure all persons for whom it is responsible comply, with the Larsen & Shaw Ltd. Supplier Code of Ethics and other commitments set out in all Buyer policies (available on the Buyer's website). In addition, Supplier will ensure that all persons for whom it is responsible comply with reasonable directions provided by Buyer while on Buyer's premises.
- d. Supplier shall be at all times registered with the workplace safety and insurance board under the Ontario *Workplace Safety and Insurance Act, 1997* and shall maintain its workers' compensation accounts in good standing, and provide Buyer with evidence of good standing upon request.

9. Warranties.

- a. **Product Warranties.** Supplier warrants to Buyer that during the Goods Warranty Period all Goods provided hereunder shall be: (i) of merchantable quality; (ii) fit for the purposes intended; (iii) unless otherwise agreed to by Buyer, new; (iv) free from defects in design, material and workmanship; (v) in strict compliance with the Specifications; (vi) free from any liens or encumbrances on title whatsoever; (vii) in conformance with any samples provided to Buyer; and (viii) compliant with all Applicable Law.
- b. **Service Warranties.** Supplier shall perform all Services: (i) exercising that degree of professionalism, skill, diligence, care, prudence, judgment, and integrity which would reasonably be expected from a skilled and experienced service provider providing services under the same or similar circumstances as the Services under this Agreement; (ii) in accordance with all Specifications and all Buyer policies and codes applicable to Supplier; and (iii) using only personnel with the skills, training, expertise, and qualifications necessary to carry out the Services. Buyer may object to any of the Supplier's personnel engaged in the performance of Services who, in the reasonable opinion of Buyer, are lacking in appropriate skills or qualifications, engage in misconduct, constitute a safety risk or hazard or are incompetent or negligent, and the Supplier shall promptly remove such personnel from the performance of any Services upon receipt of such notice, and shall not re-employ the removed person in connection with the Services without the prior

written consent of Buyer. Supplier also warrants to Buyer that the Deliverables will comply with the Specifications for the Warranty Period.

- c. **Intellectual Property Warranty.** Supplier further warrants to Buyer that at all times all Goods, Deliverables and/or Services will not be in violation of or infringe any Intellectual Property Rights of any person.
- d. **Manufacturer Warranties.** Supplier shall assign to Buyer all manufacturer's warranties for Goods not manufactured by or for Supplier and shall take all necessary steps as required by such third party manufacturers to effect assignment of such warranties to Buyer.

10. Warranty Remedies.

- a. In the event of breach of any of the warranties in Section 9.a or 9.b, and without prejudice to any other right or remedy available to Buyer (including Buyer's indemnification rights hereunder), Supplier will, at Buyer's option and Supplier's expense, refund the purchase price for, or correct or replace the affected Goods or Deliverables, or re-perform the affected Services, within 10 day(s) after notice by Buyer to Supplier of warranty breach. All associated costs, including costs of re-performance, costs to inspect the Goods, Deliverables and/or Services, transport the Goods from Buyer to Supplier, and return shipment to Buyer, and costs resulting from supply chain interruptions, will be borne by Supplier. If Goods or Deliverables are corrected or replaced or Services are re-performed, the warranties in Section 9.a and 9.b will continue as to the corrected or replaced Goods or Deliverables or re-performed Services for a further Warranty Period commencing on the date of Acceptance of the corrected or replaced Goods or Deliverables or re-performed Services. If Supplier fails to repair or replace the Goods or Deliverables or re-perform the Services within the time periods required above, Buyer may do so itself (or engage a third party to do so on its behalf) at Supplier's expense.
- b. In the event that any Goods or Deliverables provided by Supplier to Buyer are subject to a claim or allegation of infringement of Intellectual Property Rights of a third party, Supplier shall, at its own option and expense, without prejudice to any other right or remedy of Buyer (including Buyer's indemnification rights hereunder), promptly provide Buyer with a commercially reasonable alternative, including the procurement for Buyer of the right to continue using the Goods or Deliverables in question, the

replacement of such Goods or Deliverables with a non-infringing alternative satisfactory to Buyer, or the modification of such Goods or Deliverables (without affecting functionality) to render them non-infringing.

11. **Intellectual Property Rights.** All Intellectual Property Rights in and to each Deliverable shall vest in Buyer free and clear of all liens and encumbrances on receipt of payment by Supplier for each Deliverable. To the extent that any Deliverables contain any intellectual property of Supplier, Supplier hereby grants to Buyer a worldwide, royalty-free, non-exclusive, perpetual license to use, copy, modify and distribute such intellectual property as part of the Deliverables. Supplier agrees to provide to Buyer all assistance reasonably requested by Buyer to perfect the rights described herein, including obtaining all assignments and waivers of moral rights necessary or appropriate to vest the entire right, title and interest in such materials in Buyer and its successors and assigns.
12. **Confidentiality.** Supplier shall safeguard and keep confidential any and all information relating to Buyer obtained by it or provided to it by Buyer in connection with this Agreement and shall use such information only for the purposes of carrying out its obligations under this Agreement.
13. **Insurance.** Supplier represents and warrants to Buyer that it has in place with reputable insurers such insurance policies in coverage amounts that would be maintained by a prudent supplier of goods and services similar to the Goods, Deliverables and Services provided hereunder, including, as applicable, professional errors and omissions liability insurance and comprehensive commercial general liability insurance (including product liability coverage, all-risk contractors' equipment insurance, and automobile liability insurance). In addition, Supplier will take out and maintain, at its own cost, such insurance policies and coverages as may be reasonably required by Buyer from time to time. Supplier will promptly deliver to Buyer, as and when requested, written proof of such insurance. If requested, Buyer will be named as an additional insured under any such policies. If requested by Buyer, such insurance will provide that it cannot be cancelled, or materially changed so as to affect the coverage provided under this Agreement, without the insurer providing at least 30 days prior written notice to Buyer.
14. **Indemnities.** Supplier shall indemnify, defend and hold harmless Buyer, its Affiliates, and their respective officers, directors, employees, consultants, and agents (the "**Buyer Indemnified Parties**") from and against any claims, fines, losses, actions, damages, expenses, legal fees and all other liabilities brought against or incurred by the Buyer Indemnified Parties or any of them arising out of: (a)

death, bodily injury, or loss or damage to real or tangible personal property resulting from the use of or any actual or alleged defect in the Goods, Deliverables or Services, or from the failure of the Goods, Deliverables or Services to comply with the warranties hereunder; (b) any claim that the Goods, Deliverables or Services infringe or violate the Intellectual Property Rights or other rights of any person; (c) any intentional, wrongful or negligent act or omission of Supplier or any of its Affiliates or subcontractors; (d) Supplier's breach of any of its obligations under this Agreement; or (e) any liens or encumbrances relating to any Goods, Deliverables or Services.

15. **Limitation of Liability.** EXCEPT FOR SUPPLIER'S OBLIGATIONS UNDER SECTION 14, AND EXCEPT FOR DAMAGES THAT ARE THE RESULT OF THE GROSS NEGLIGENCE OR WILFUL MISCONDUCT OF A PARTY, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR ANY OTHER PERSON FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, INCLUDING ANY LOST PROFITS, DATA, GOODWILL, OR BUSINESS OPPORTUNITY FOR ANY MATTER RELATING TO THIS AGREEMENT.
16. **Independent Contractors.** Supplier will perform its obligations under the Agreement as an independent contractor and in no way will Supplier or its employees be considered employees, agents, partners, fiduciaries, or joint venturers of Buyer. Supplier and its employees will have no authority to represent Buyer or its Affiliates or bind Buyer or its Affiliates in any way, and neither Supplier nor its employees will hold themselves out as having authority to act for Buyer or its Affiliates.
17. **Further Assurances.** The parties shall sign such further and other documents, cause such meetings to be held, resolutions passed and do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof.
18. **Severability.** If any provision of this Agreement is determined to be unenforceable or invalid for any reason whatsoever, in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part thereof and all other provisions shall continue in full force and effect.
19. **Waiver.** No waiver of any provision of this Agreement shall be enforceable against that party unless it is in writing and signed by that party.

20. **Assignment.** Supplier may not assign or subcontract this Agreement, in whole or in part, without Buyer's prior written consent. Supplier's permitted assignment or subcontracting of this Agreement or any part thereof will not release Supplier of its obligations under this Agreement, and it will remain jointly and severally liable with the assignee or subcontractor for any obligations assigned or subcontracted. The acts of omissions of any subcontractors of Supplier will be deemed to be the acts and omissions of the Supplier. Buyer may assign this Agreement, in whole or in part, to any Affiliate of Buyer, without the consent of Supplier. This Agreement shall endure to the benefit of and be binding upon the parties and their respective legal personal representatives, heirs, executors, administrators, assigns or successors.
21. **Cumulative Remedies.** The rights and remedies of the Buyer in this Agreement are cumulative and in addition to any other rights and remedies at law or in equity.
22. **Survival.** Any provision of this Agreement which expressly or by implication from its nature is intended to survive the termination or completion of the Agreement will continue in full force and effect after any termination, expiry or completion of this Agreement.
23. **Interpretation.** The headings used in this Agreement and its division into articles, sections, schedules, exhibits, appendices, and other subdivisions do not affect its interpretation. Unless the context requires otherwise, words importing the singular number include the plural and vice versa; words importing gender include all genders. References in this Agreement to articles, sections, schedules, exhibits, appendices, and other subdivisions are to those parts of this Agreement. Where this Agreement uses the word "including," it means "including without limitation," and where it uses the word "includes," it means "includes without limitation."
24. **Governing Law.** The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement. This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties irrevocably attorn to the jurisdiction of the courts of Ontario in Toronto, which will have non-exclusive jurisdiction over any matter arising out of this Agreement.
25. **Electrical/Electronic Components and Equipment.** All electrical/electronic components or equipment must have Ontario provincial approvals such as the Electrical Safety Authority, CSA or ULC requirements and conform to the industry standards and all other applicable legislative requirements.

26. **Language.** It is the express wish of the parties that this Agreement and any related documentation be drawn up in English.