

## Purchasing Terms and Conditions

This purchase order incorporates and includes all documents, drawings, and specifications now existing and relating to the purchase of the Goods and the Services referred to herein; and shall, when accepted by the Seller, constitute the entire contract (the "Contract") between the Seller and the Buyer for supply of the goods (the "Goods") or performance of the services (the "Services") as described in the Contract, or both, as may be required under the Contract, at and for the price stipulated therein.

1. The Contract shall not be altered, modified or varied in any manner whatsoever without the express written authorization of the Buyer.
2. The Seller's written acceptance of this purchase order, or the shipment of any Goods or supply of any Services hereunder, shall constitute the Seller's acceptance of this purchase order and the Contract, and no additional terms or conditions proposed by the Seller shall be binding upon the Buyer or form a part of the Contract.
3. If the Contract is not for a fixed price, then the Seller shall submit in writing all details of any proposed price the Buyer at least 30 days prior to the proposed effective date of the price. All proposed price changes are subject to negotiation, and, if not approved by the Buyer, then this purchase order may be cancelled, at the Buyer's sole discretion, and without liability by the Seller for such cancellation.
4. The Seller shall submit an invoice for each purchase order to the Buyer at: Lakeland College, Finance Department, Accounts Payable, 5705 – College Drive, Vermilion, Alberta, Canada T9X 1K5 when the Goods have been delivered to the Buyer and the Services have been performed, unless otherwise stipulated in the Contract.
5. Any trade discounts or rebates made available to the Seller for either of the Goods or the Services will be taken, and credited to the Buyer, will be computed from the date the invoice for the related Goods or Services is received, whichever is the later.
6. The Seller agrees to supply all the Goods and to perform all the Services in strict compliance with the Contract.
7. Time is of the essence of the Contract and the Seller shall deliver the Goods and perform the Services by the date(s) specified in the Contract.
8. If the Buyer determines that the Goods or the Services fail to comply with the Contract, the Buyer may, without prejudice to any other remedy it may have:
  - a) terminate the Contract and return the Goods to the Seller, at the Seller's expense; and
  - b) recover from the Seller all monies paid under the Contract for the Goods together with an amount equal to the difference between the price stated in the Contract for the Goods and the cost of acquiring the Goods from another supplier.

9. The Goods shall be delivered to the Buyer FOB, the point of delivery designated in the Contract.
10. Title to the Goods shall vest in the Buyer upon payment of the purchase price.
11. Risk of loss with respect to the Goods shall pass to the Buyer upon delivery of the Goods to the point of delivery designated in the Contract.
12. In providing the Goods or the Services, or either of them, the Seller shall comply with the Workers Compensation legislation of the Province(s) in which the Services are performed. Evidence of compliance with the legislation shall be furnished to the Buyer upon request.
13. For the supply of either of Goods or Services, the Buyer may holdback payment in accordance with the Builder's Lien Act of Alberta; no such holdback shall be subject to any late payment, financing or interest charges.
14. Where required by law, the Goods shall be marked by the Seller with a Work Place Hazardous Material Information System (WHMIS) symbol and shall be shipped and handled in compliance with all applicable Federal, Provincial and Municipal laws in force on the date of shipment.
15. The Seller warrants that the Goods when delivered shall:
  - (a) conform to the specifications in the Contract;
  - (b) be in good, usable and merchantable quality, and fit for the intended purpose;
  - (c) be free of defects in material, workmanship, design and manufacture; and
  - (d) be free of all mortgages, liens, claims and security interests whatsoever.
16. The warranties of the Seller in section 15 hereof are in addition to, and not in substitution for, the implied conditions respecting the Goods contained in the Sale of Goods Act (Alberta).
17. The Seller warrants that the Services performed under the Contract shall:
  - a) comply with the Contract; and
  - b) be free from faulty workmanship and errors, omissions and defects.
18. If either of the Goods or the Services fail to comply with the applicable warranties above, the Seller shall take all measures necessary to rectify any non-conformity at the request of the Buyer and at the Seller's expense. Seller shall provide supervision as required, and pay the cost of dismantling and reinstallation of Goods which do not conform to the warranty, and all associated freight charges. Services, which do not conform to the warranty in section 17 hereof, shall be re-performed by the Seller at the Seller's expense and in compliance with the Contract. The Buyer may satisfy any or all of the obligations of the Seller if the Seller fails to satisfy such obligations promptly. Seller shall pay to Buyer, upon demand, all costs and expenses incurred by Buyer in satisfying Seller's remedial obligations.

19. The Seller shall:

- a) pay all royalties and patent license fees and related charges payable in respect to the Goods and shall indemnify the Buyer against all such royalties, fees and related charges; and
- b) defend, at its own expense, all suits and proceedings instituted against the Buyer in connection with any infringement or alleged infringement or unlicensed use of letters patent, registered design, trademark or copyright pertaining to the Goods or the use thereof; and
- c) indemnify the Buyer against all losses, costs, damages and expenses (including legal expenses of a solicitor and his own client basis) which the Buyer may suffer, sustain or incur in connection with or as a result of any claim, action or proceeding for such infringement, alleged infringement or unlicensed use; and
- (d) if any of the Goods infringe letters patent, registered design, trademark or copyright and the use of any of the Goods is enjoined, then, at its own expense, either procure for the Buyer the right to continue using the Goods or replace the Goods with non-infringing Goods or modify the Goods so as to become non-infringing, provided the quality of the Goods is not diminished in any way.

20. Any applicable Goods and Services Tax and customs duties payable by the Buyer under the Excise Tax Act (Canada) shall be shown as a separate amount on each invoice.

21. The Seller agrees that for all Goods and Services for which taxes or customs duties have been paid, any entitlements relating to those Goods or Services that arise from all and any tax or duty rate decreases, exemptions, refunds, or any of them, or that result from amendments, re-classifications, remissions or clarifications regarding Goods or Services that were or will be subject to tax or duties, whether recognized at the time the purchase order is accepted, or not, shall be credited to the Buyer when they become known.

22. If the supplier manufactures or purchases any goods involved in this contract outside of Canada, he must ensure that he, his agent, or representative is the "importer of record" for customs purposes.

23. For all Goods or any Services purchased directly from foreign countries for shipment into Canada, the Seller shall include two completed and signed copies of the Canada Customs invoice with the documentation accompanying the shipment. A copy of the Canada Customs invoice shall also be delivered concurrently to the Buyer at its finance department under separate cover.

24. The Seller shall fully disclose to the Buyer, before accepting this purchase order, and as a condition of supplying either Goods or Services, any of the following business relationships of the Seller with any member of the Buyer's board of directors, the Buyer's agents, or employees of the Buyer:
  - (a) if the Seller is a private company, all details of ownership of shares of the Seller by any of the above persons;
  - (b) if the Seller is a public company, details of any ownership of shares of the Seller, in excess of 1% of total share issued, by any of the above persons;
  - (c) if the Seller is a partnership or a joint venture, the details of any partnership or joint venture arrangements with any of the above persons;
  - (d) details of any directorship or office in the Seller held by of any of the above persons;
  - (e) details of any direct or indirect pecuniary interest of any of the above persons in the supply of Goods or Services.
25. Written disclosure of any such business relationships shall be made in writing prior to supplying Goods or Services under a purchase order if the Contract is not the result of acceptance of a written offer. No disclosure shall constitute the Seller's warranty that it is not aware of the existence of any of the above stated business relationships.
26. All packing cases, bales cartons and other shipping materials in which the Goods may be shipped shall upon delivery, become the property of the Buyer unless otherwise stipulated in the Contract.
27. Unless otherwise stated, all funds are payable in Canadian dollars.
28. The Seller shall indemnify and save harmless the Buyer and its affiliates, subsidiaries and associated corporations and each of their respective officers, directors and employees against all losses, claims, actions, demands, liabilities, damages, fines, penalties, judgments and expenses (including without limitation legal expenses on a solicitor and his own client basis), suffered, or incurred by or resulting from an action(s) or proceeding brought against any or all of them due to any error, omission or negligent act of the Seller or its employees, agents or sub-contractors in connection with the Goods and Services, or either of them, or performance of the Contract.
29. This Contract shall be governed by the laws of the Province of Alberta