



## TERMS AND CONDITIONS OF PURCHASE

By the acceptance of this order, Seller agrees to all of the terms and conditions hereof as follows:

1. **SHIPMENTS** Shipments shall be made in accordance with Buyer's instructions which are subject to revision with respect to undelivered quantities. Promptness of delivery is of the essence of this order. The dates of payment and discounts are based on the dates of shipment specified in this order. Earlier shipment shall not require Buyer to make payment before the time payment would have been due if the goods had been shipped in accordance with instructions. Seller shall advise Buyer immediately of any shortage or delay in shipment.
2. **PRICE: EXTRA CHARGES** The Price listed on this Purchase Order for the goods and services ordered hereunder is the price that was quoted and confirmed by the Seller to the Buyer. Said price is a firm price and will not be increased by the Seller under any circumstances. Seller agrees to deliver the goods and provide the services at said prices. No additional charges of any kind, including charges for doing burlapping, packing, cartage, storage, insurance, building of crates or pallets, or other extras will be allowed. Except by the express written agreement of Buyer.
3. **WARRANTY** Seller warrants to Buyer that the goods and/or services covered by this order will conform to the drawings, specifications, samples or other description furnished by Buyer, and will be of first class material and workmanship, merchantable, and free from defects and supplied from one heat number, unless agreed to in advance by Buyer.
4. **INSPECTION** Delivery shall not be deemed to be complete until Buyer has inspected the goods, and the goods will be received subject to Buyer's right of inspection and rejection, notwithstanding any payment of agreement to pay for such goods, freight express or other transportation charges, Buyer's count will be accepted as final and conclusive on all shipments not accompanied by packing ticket. Risk of loss or damage in transit shall be on Seller. Defective goods may be rejected by Buyer; and Buyer, at its option (without prejudice to any other legal remedy), may hold such goods at Seller's risk or return them to Seller at the Seller's risk and expense. Buyer reserves the right to cancel the unfilled portion of this order, without liability to Seller. No replacement of returned defective material is to be made by Seller unless so authorized by Buyer on Buyer's returned material order. The Buyer assumes no obligation for materials shipped in excess of this order, except that on an order for hot rolled bar steel only, shipments of 10% over or under will be accepted. Defects are not waived by acceptance of the goods or by failure to notify Seller thereof. Seller and Buyer each agrees to cooperate with the other if either party desires to file a claim against a third party for any loss or damage to the goods in transit.
5. **PATENT (INFRINGEMENT)** Seller will exonerate, indemnify and hold harmless Buyer, its officers, agents and employees, from an against any and all liability, damage, loss, cost or expense which may accrue to or be sustained by Buyer on account of any claim, suit or action made or brought against Buyer or its customers for actual or alleged infringement of any patent by the resale or the use of said goods or any part thereof; and Seller, at Buyer's request, will defend any such claim, suit or action at Seller's expense with attorneys acceptable to Buyer. In addition, Seller agrees to pay all costs and damages assessed in any suit, arbitration or otherwise.
6. **CONTINGENCIES** Failure or inability of Buyer to take shipments hereunder, or delay in taking shipments, if occasioned by fire, explosion, flood, war, accident, epidemics, interruption or delay in transportation, strikes, labor trouble, embargoes, inability to obtain materials and supplies, government regulations, acts of God or the public enemy, or any other causes of like or different character beyond Buyer's control shall not subject Buyer to any liability to Seller because thereof, but at Buyer's option, the total quantity covered by this order may be reduced by the amount of omitted shipments or the specified delivery period extended by a time equal to that during which shipments shall be so omitted and such omitted shipments shall be made during the period of such extensions. The foregoing option of Buyer shall be at Buyer's sole discretion and not exercisable by Seller.
7. **RELEASE** Seller waives all rights to claim or file suit against Buyer for, and releases Buyer from, all liability or responsibility of any kind arising from, the death of or injury to persons or destruction of property sustained in connection with performance of this order except that caused by the intentional misconduct of Buyer or its employees acting within the scope of their employment.
8. **INDEMNITY** Seller assumes the risk of all damage, loss, cost and expense, and agrees to indemnify and hold harmless Buyer, its officers, agents and employees from and against any and all liability, damage, loss, cost and expense which may accrue to or be sustained by Buyer, its officers, agents or employees on account of any claims, suit or action made or brought against Buyer, its officers, agents or employees, for the death of or injury to person or destruction of property, involving Seller, its employees, agents and representatives, sustained in connection with performance of this order, arising from any cause whatsoever except intentional misconduct of Buyer or its employees acting within the scope of their employment.
9. **REMEDIES** The remedies set forth in this contract shall be in addition to any other remedies provided by law. No waiver by Buyer of a breach of any provision of this contract by Seller shall constitute a waiver of any other breach by Buyer or of such provision.
10. **DISCLOSURE** The Seller shall not publicize the fact that the Seller has contracted to furnish, or has furnished the Buyer with materials.
11. **INSOLVENCY** In the event of any proceedings by or against either Buyer or Seller in bankruptcy or insolvency, or for the appointment of a Receiver or Trustee, or an assignee for the benefit of creditors, of the property of either party or in the event of the breach of any of the terms of this order, including the warranties of the Seller, the other party shall be entitled to cancel this order forthwith.
12. **NONASSIGNABILITY** This order is issued to the seller in reliance upon its personal performance of the duties imposed and the Seller agrees not to assign this order or delegate its performance without the written consent of the Buyer.



TERMS AND CONDITIONS OF PURCHASE

(Continued)

13. CARRIERS The Seller grants the Buyer the right to at any time specify the carrier and method of transportation to be used in deliveries to the Buyer, upon proper adjustment being made to cover any difference in transportation cost from the transportation stated
14. OTHER TERMS By acknowledging receipt of this order or by shipping the above goods, Seller agrees to the terms and conditions set forth in this order and any attachments hereto. Buyer hereby objects to any different or additional terms in Seller's acceptance of this offer. If this order shall be deemed an acceptance of a prior offer by Seller, this acceptance is expressly conditioned on the Seller's written assent to any additional or different terms contained herein. No oral agreement or other understanding shall in any way modify this order or the terms or the conditions hereof. The rights and duties of the parties hereto shall be determined by the laws of the Province of Alberta.
15. CAPTIONS The captions used in this purchase order are for convenience of reference only and are not to be construed in interpreting the substance of the section.