

GENERAL TERMS AND CONDITIONS

1. Upon the signing of the acknowledgement page of this Purchase Order a contract between you as seller (hereinafter called "the Seller") and Fleetway Inc. as buyer (hereinafter called "the Buyer") for the purchase and sale of the goods shown on the face hereof (hereinafter called "the Goods"), for the date of delivery as therein specified shall have been constituted, which contract shall be governed by and construed in accordance with the laws of the Province of New Brunswick, Canada.
2. No changes shall be made in the specifications, material, conditions, quantities, prices or deliveries of the Goods without the prior written authorization of the Purchasing Manager of the Buyer. Any changes made not in accordance with this paragraph may result, as the option of the Buyer, in the rejection by the Buyer and the return of the Goods supplied at the Seller's risk and expense.
3. Goods purchased F.O.B destination or on a freight allowed basis are to be shipped freight prepaid unless otherwise specified on the face of this purchase order. Packing and drayage charges are for the Seller's account unless otherwise specified on the face of this purchase order.
4. No shipments made to the Buyer will be accepted unless the following shipping documents are provided to the Buyer to allow the Buyer to properly check and receive the Goods:
 - (a) Carload or LCL Shipments: A detailed loading sheet bearing this Purchase Order Number mailed to the Buyer at the destination shown on the face of this Purchase Order on the date shipment is made;
 - (b) Express or Parcel Post Shipments: This Purchase Order Number shown on the outside of the package, box, case, keg, bale, or bundle and a detailed packing list included in, or attached to, the same; in case of more than one package against the same Purchase Order shipped at the same time, one detailed packing list must be included in, or attached to, one of the packages; the Seller's name and the Shipper's name must appear on the shipping notices and acknowledgement;
 - (c) Foreign shipments by Land: Invoices in quintuplicate with all copies certified to permit Customs Entry with an M.A. Consular Declaration, and an original clean on board Bill of Lading;
 - (d) Foreign Ocean Shipments: Invoices in quintuplicate with all copies certified to permit Customs Entry with an M.A. Consular Declaration, and an original clean on board Bill of Lading; and
 - (e) The Buyer's shipping notice, if attached, must be completed and mailed to the Purchasing Manager of the Buyer on the same date that shipment is made, it is of the utmost importance that a detailed packing list be included with all shipment whether complete or partial. If a partial shipment is made, the packing list shall show all items not included, and yet to be shipped.
5. Invoices from points within Canada must be rendered in triplicate; foreign commercial invoices must be rendered in triplicate and must accompany shipping documents set out in clause 4 above. Invoices must be complete with all necessary information including terms of payment; this Purchase Order Number, Purchase Order Line Number, destination, originating point, etc. When an Invoice is rendered by the Seller but shipment made by another person, the Invoice must name the shipper and the point of origination of the shipment. Invoices will be returned and payment delayed if not properly completed as set out herein. Discounts will be taken from the date invoices are received or returned properly completed as set out herein.
6. A confirmation or Storekeeper's Receipt for any delivery or shipment does not constitute acceptance by the Buyer of the whole or any part of such delivery or shipment; nor does it preclude the Buyer from claiming against the Seller in respect of any deficiency in quantity or quality thereafter appearing.
7. The Seller warrants that the title to all the Goods supplied under and by virtue of this Purchase Order to be free and clear from all liens, encumbrances, and any other charges whatsoever, and the Seller hereby undertakes to indemnify and save harmless the Buyer from any and all claims, demands and actions, to which the Buyer may be subjected and resulting from such liens, encumbrances, and charges as aforesaid.
8. The Seller warrants that all the Goods covered by this Purchase Order will conform with the specifications, drawings and other descriptions supplied or adopted by the Buyer and will be new, fit and sufficient for the purpose for which they were intended, of good material, design and workmanship and free from defects. At the request of the Buyer, the Seller will repair or replace free of any cost or expense to the Buyer and any of its customers any parts or equipment that shall in normal use and service and under proper operation fail because of faulty design or workmanship or defective material during the guarantee period. The said guarantee period shall commence from the date of delivery of the Goods and shall terminate.
 - (a) In the case of Goods incorporated in a vessel: 12 months after acceptance of the vessel by the Buyer's customer; and
 - (b) In the case of other Goods; 12 months after the Goods are first put into service by the Buyer or the Buyer's customer.
9. If this Purchase Order involves the performance of labour or other services for the Buyer on the premises of the Seller or any of its suppliers, the seller agrees to pay and discharge all claims and demands asserted against the Buyer by any of its employees or others for loss of life, personal injury or property damage arising out of, or resulting from, the performance of such labour or services.
10. If the Purchase Order involves the performance of labour or other services by the Seller on the premises of the Buyer, the Seller agrees to pay and discharge all mechanics' and other liens against the Buyer's premises, and all claims and demands asserted against the Buyer by any of the Buyer's or the Seller's employees or others for loss of life, personal injury or property damage arising out of, or resulting from the performance of such labour or services. The Seller agrees that it will furnish upon the written request of the Buyer certificates showing the following types of coverages by Insurance carriers and in amounts all acceptable to the Buyer to be in effect at the commencement of such labour or services: Public Liability, Property Damages, Automobile, Pressure Vessel and such other specified coverage as conditions may require. The Seller shall also make all appropriate returns to and pay assessments levied by the Worker's Compensation Board, if applicable.
11. By accepting this Purchase Order, the Seller agrees to indemnify Buyer and to hold the Buyer harmless in respect of any and all claims that the Goods infringe any Canadian or foreign patent, copyright, trademark or trade secret and, provided the Buyer gives the Seller prompt notice in writing of any suit or action at law or in equity brought against the Buyer on any claim for infringement and gives the Seller necessary information, assistance and authority, to defend at the Seller's expense any and all such suits, and to satisfy and judgement entered thereon.
12. The Buyer may change shipping schedule or defer shipment of the Goods or any part thereof, if for any reason its production is changed, delayed or curtailed or any contingencies interfere with the receipt, handling or stocking of the Goods.
13. The Seller shall not, without first obtaining the written consent of the Buyers, in any manner advertise or publish the fact that the Seller is directed to furnish the Buyer the Goods and for failure to observe this provision, the Buyer shall have the right to cancel the contract resulting from acceptance of this Purchase Order without any further liability thereon.
14. The Buyer reserves the right to cancel this Purchase Order or any unshipped portion of the Goods thereunder if delivery is not made as specified.
15. Canadian Goods and Services Tax and Canadian provincial sales tax are not included in the price of the Goods and their applicability to this Purchase Order shall be as noted on the face hereof. The price of the Goods includes all other taxes and duties in respect of any of the work to be performed or material to be provided hereunder.
16. The Goods shall be at the risk of the Seller who shall bear all losses or damages, from whatsoever cause arising, which may occur to the Goods or any part thereof until delivered to the Buyer in accordance with this Purchase Order.
17. No amendment, modification, change or waiver of any term or provision of this Purchase Order shall be effective or binding unless contained in writing signed on behalf of the Buyer and the Seller. The seller may not assign this Purchase Order or enter into any subcontract with any person for the performance by such person of any obligation of the Seller hereunder without the written authorization of the Buyer. The Purchasing Manager for the Buyer is the only person authorized to execute any writing or written authorization on behalf of the Buyer contemplated by this clause 17.
18. The Seller shall and shall procure its Servants, Officers, Representatives and Agents shall at all times comply with all legislation, standards and regulations, including but not limited to, those relating to the Consumer Protection and Health, Safety and Environment (and when relevant those relating to the Buyer's health, safety and environmental requirements) which are relevant to the performance of this Purchase Order. The Seller shall not perform any service which is intrinsically hazardous to life or harmful to the environment, without appropriate arrangements being agreed to by the Parties in advance.
19. The Buyer operates an Environmental Management System (EMS) for which the Seller may directly or indirectly impact on the Buyer's significant environmental aspects hence the Seller shall at all times comply with the Buyer's EMS requirements as deemed necessary.