



# **PURCHASE ORDER – TERMS AND CONDITIONS**

## **1. DEFINITIONS**

- (a) “Advance” is Advance Engineered Products Ltd. with two entities: ATP and ATC.
- (b) “ATP” is Advance Tank Production Ltd. and pertains to the Regina and Drummondville manufacturing facilities.
- (c) “ATC” is Advance Tank Centres Ltd. and pertains to the Calgary, Edmonton, Lloydminster, Surrey and Regina service and parts facilities.
- (d) “Purchase Order” is a controlled document issued by the Buyer with the agreed cost, quantity, payment terms, delivery date, ship-to location, freight conditions, and the assigned shipper.
- (e) “Buyer” is the authorized Advance personnel to issue the Purchase Order
- (f) “Supplier” is the provider of goods and services and is the party designated in the Purchase Order.

## **2. ACCEPTANCE**

The Supplier shall provide an acknowledgment upon receipt of the Purchase Order within two days. This constitutes the Supplier’s acceptance of all the terms and conditions of the Purchase Order. The terms and conditions of the Purchase Order shall always govern. The Supplier shall not make revisions or modifications to price, delivery date, schedule, quantity, and product specification unless accepted in writing by the Buyer. Within reason, the Buyer may modify the quantity, due date, or specification and will notify the Supplier in writing.

## **3. DELIVERY AND INSPECTION**

Paperwork such as invoices, packing slips, bills of lading, and packages must always indicate the Purchase Order number. The Supplier shall provide material certificates, material safety data sheets, test certificates, test reports, and other documentation required in the Purchase Order. All Suppliers with shipments made outside of Canada shall prepare, execute, and provide all legal custom documents to Advance’s designated broker. The Supplier shall ensure that the product is free from defects and shall provide proper packaging with conformance to best industry practices and a sustainable environment. The transfer of ownership of goods and services shall be effective upon signature of an authorized Advance employee. Advance may reject goods and services for defects and non-compliance or upon inspection, and the Supplier shall provide a full refund. Suppose Advance incurs expenses due to non-conformances such as rework, line stoppage, replacement, and customer claims. The Supplier shall pay for all these expenses, including freight arrangements for material returns. The Supplier shall notify the Buyer of delivery date or schedule changes. Unauthorized early and late deliveries or schedule changes and missing paperwork will delay payment.



#### **4. ON-SITE REQUIREMENTS**

All Suppliers performing work at Advance facilities are required to provide copies of the following:

(a) Workers' Compensation Board clearance letter; (b) General Liability Insurance and other applicable insurances; (c) List of authorized personnel working on-site; (d) Letter of references and police clearance as required.

The Supplier shall ensure that its employees, agents, and subcontractors follow Advance's safety requirements, policies, rules, and procedures.

#### **5. CONFIDENTIALITY**

All information provided by Advance to the Supplier shall not be shared and shall not be disclosed to any third party without written consent from Advance.

#### **6. TERMINATION**

Advance may immediately cancel the Purchase Order due to the Supplier's incompetency and failure to provide resolution despite numerous written complaints from Advance.

#### **7. INDEMNIFICATION**

The Supplier shall indemnify Advance against any liability, damage, loss, cost, or expense (including lawyer's fees and expenses) that Advance may suffer as a result of incompetence, negligence, non-performance, omissions, or wrongful acts of the Supplier and its employees, agents, and subcontractors.

#### **8. FORCE MAJEURE**

In the event of unforeseen circumstances and conditions beyond the control of Advance and the Supplier, the obligations of the party affected shall be suspended during the Force Majeure period. The concerned party shall immediately notify the other party. Advance shall have the right to cancel the Purchase Order if the Force Majeure period lasts more than 30 days.

#### **9. GOVERNING LAW**

The Purchase Order shall be governed by the province of Canada where the Purchase Order was issued.