



Purchase Order Terms & Conditions

1. DEFINITIONS.

- *"Goods"* refers to the equipment, materials and/ or services & labour to be supplied in accordance with this purchase order and its terms and conditions.
- *"Purchase Order"* refers to this purchase order form, purchase order terms and conditions, special conditions, specifications, drawings and any and all documents which by specific reference are made part hereof.
- *"Purchaser"* refers to CAHILL Instrumentation.
- *"Seller"* refers to the company, partnership, person, vendor, or other legal entity supplying the goods as identified in this purchase order.
- *"Subcontractor"* refers to the company, partnership, person, vendor, or other legal entity supplying the goods and labour as identified in this purchase order.

2. PURCHASE ORDER ACCEPTANCE. The seller by communicating its acceptance to the purchaser shall be deemed to understand and accepts the purchasing terms and conditions herein without any reservations. This purchase order made as of the date specified herein between the purchaser and supplier, represents the entire contract between the parties hereto and supercedes all previous proposals, invitations and discussions with respect to the subject matter hereof. If supplier finds any discrepancies, ambiguities or contradictions between the various parts of this purchase order or any errors or omissions, supplier shall immediately inform purchaser in writing and purchaser shall thereby provide written clarification thereof purchaser determination of intent shall be final and binding. Any additional work performed or goods supplied by supplier as a result thereof, which is not authorized by a formal change order form issued by contractor will be at the supplier's risk and expense. Reference in this purchase order to seller's quotation does not imply acceptance of any terms and conditions in such quotation unless they are expressly adopted herein. Any terms and conditions in such quotation which are inconsistent with the terms and conditions contained in this order shall be deemed to be null and void and of no effect.

3. PROCESSING OF PURCHASE ORDER. The seller understands and agrees as follows:

- (a) Deliver no goods without an approved purchase order;
- (b) Acknowledge receipt of this order, specifying prices and a definite shipping date;
- (c) In addition to what is given in the purchase order, prices include all normal packing, marking, certificates and other necessary documentation and include transportation costs, duties and brokerage;
- (d) Make no substitutions or changes without authorization;
- (e) The purchaser reserves the right to cancel this order if shipment is not made as promised;
- (f) This order must not be invoiced at higher prices than last quoted or charged without notice to and authorization by the purchaser;
- (g) Seller is to notify the purchaser once a committed purchase order amount is exceeded;
- (h) The seller will mail invoices to office of mailing;
- (i) The seller will show the purchase order number on all invoices, packages, etc. and all communications in reference thereto.

4. INSPECTION. The purchaser shall have free access, at all reasonable times, to the premises of both the seller and its subcontractors to review the progress of the work and to ensure that the goods are being furnished in accordance with this purchase order and, except as otherwise agreed in writing,



Purchase Order Terms & Conditions

all shipments shall be subject to final inspection by purchaser after receipt by purchaser at destination. Supplier shall immediately correct faults and defects identified in connection with tests and inspections. Test and inspections, or lack of same does not relieve supplier of full risk or responsibility for delivery in accordance with the order.

5. **CANCELLATION AND CHANGES.** Purchaser may cancel the whole or any part of the purchase order at any time, without cause, prior to the release of shipment by supplier of the goods. In such an event, supplier shall stop all work connected with the goods or applicable portion thereof, except as may be directed by the purchaser in writing. If contractor cancels the whole or any part of the purchase order without cause, supplier shall be entitled to reimbursement of all cost incurred up to the date of cancellation, plus all reasonable and documented out-of-pocket costs and expenses incurred which result from obligations which supplier has incurred or entered into in good faith as a result of the purchase order provided that the amount of such reimbursement, together with payments already made do not exceed the price in respect of the cancelled part. For specially prepared material unique to purchaser's order, any completed work or raw material whose full costs are included in termination charges shall be identified in writing and held by supplier for disposition in accordance with purchaser's written instructions. No change of any kind to the terms of this purchase order including without limitation, substitution of the goods, and no waiver or exception to any of the terms hereof, shall be made or construed to have been made unless the same is authorized specifically in writing by purchaser on a change order form and supplier accepts such change order by signing the acknowledgement copy. Purchaser may at any time increase or decrease the quantity of goods to be supplied under this purchase order and the price shall be adjusted in accordance with agreed sums, rates, and prices. . If changes affect delivery or price the seller shall immediately notify the purchaser and negotiate the adjustment.
6. **DELIVERY AND PAYMENT.** All goods are to be delivered to the agreed place of delivery with appropriate packing and marking and according to Incoterms (www.iccwbo.org/incoterms) latest edition. Supplier guarantees timely delivery. Supplier must notify the contractor in writing, at once, any foreseen delays in delivery explaining the cause of the delay and its likely duration. All goods are to be well protected for shipping to avoid damage. If no transport instructions are given in the order, the supplier shall obtain such prior to dispatch. The time for making payments shall be net thirty (30) days from the date the invoice is received by the purchaser, unless otherwise expressly provided herein. If an invoice is held or returned for correction the time shall run from the date, the corrected invoice is received by the purchaser. Purchaser shall have the right to withhold disputed amount until final settlement by agreement of by arbitration.
7. **SUBCONTRACTING & ASSIGNMENT.** Supplier shall not sub-contract this order in part or in whole, without the prior written approval from purchaser. Such approval shall under no circumstances relieve supplier from any obligations according to this purchase order. Purchaser has the right to assign partly or in whole its rights and obligations to the order to a third party provided the assignee according to purchaser's requirements has the necessary qualifications and resources to fulfill contractor's obligations according to the order.
8. **FORCE MAJEURE.** Supplier is not liable for delays caused by force majeure. Force majeure includes among others, national strikes and layoffs, acts of God, war and war like situations and similar



Purchase Order Terms & Conditions

serious cases for the delayed delivery which are beyond supplier's control and which could not be reasonable have been foreseen at the time of placement of the purchase order.

9. INDEMNITY. The purchaser relies upon the skills and judgement of the seller and the seller covenants and agrees that, having acquired full knowledge of the use, function, purpose and application of the goods to be supplied hereunder. Supplier agrees to indemnify and save harmless the purchaser from any and all claims, losses or damages (including special and consequential damages and damages for loss of use) arising directly or indirectly from any breach of terms and conditions of this order or any contract following thereupon and from any claims, losses or damages of whatsoever nature and kind for injury, fatal or otherwise, to persons and the destruction of or damage to property arising directly or indirectly from the construction, installation and supply of goods to be furnished hereunder or from anything undertaken or any contract thereupon.
10. DEFAULT. If supplier shall default in its performance of a representation, warranty or guarantee or other provision of the purchase order, including delivery or completion by the specified date(s), then, without prejudice to any other right or remedy: (a) purchaser may revoke the whole or any part of this purchase order, without penalty or liability to purchaser, by giving notice of termination to supplier; (b) purchaser shall be entitled to withhold payment of any sums that are or may become payable to vendor under this purchase order; (c) purchaser shall have the right at vendor's cost (either with or without the use of supplier's material, equipment, tools and instruments) to finish the work connected with the goods, either itself or with the assistance of third parties, and; (d) supplier shall reimburse contractor for all losses, costs, damages and expenses incurred by contractor over and above the price specified in this purchase order resulting from such default or delay.
11. CONFORMITY WITH LAWS. This purchase order shall be governed by the laws of the Province of Newfoundland & Labrador.
12. ENVIRONMENT, HEALTH AND SAFETY STANDARDS. Supplier warrants that in the supply of goods it will adhere to the highest possible standards for the protection of the environment and with regard to health and safety. Supplier will provide purchaser with all pertinent data necessary or desirable to ensure maximum protection of the environment, health and safety in the usage, operation, storage, transportation or other dealings with the goods supplied.
13. PURCHASER FURNISHED PROPERTY. Unless otherwise agreed in writing, all tools, equipment or material of every description furnished to the seller by the purchaser or specifically paid for by the purchaser; and any replacement thereof, or any materials affixed or attached thereto, shall be and shall remain the personal property of the purchaser. Such property shall remain free of liens and encumbrances. The seller shall not substitute any property for the purchaser's property and shall not use such property except in filing the purchaser's order. Such property while in the seller's custody of control shall be held at the seller's risk and shall be kept insured. The purchaser shall have the right at all reasonable times upon prior request to enter the seller's premises to inspect any and all such property.
14. CONFIDENTIALITY. All information which the purchaser provides to supplier under the purchase order remains the property of the purchaser. Without purchaser's consent, such information is not



Purchase Order Terms & Conditions

to be used by supplier for any other purpose than for fulfilling the obligations under the purchase order. Supplier is obligated to keep all such information secret and similarly to bind all employees, subcontractors and their employees to such secrecy.

15. SUPPLY OF GOODS. In the event of a partial failure of the seller's sources of supply of the goods purchased hereunder, the seller shall first meet all the purchaser's requirements hereunder prior to any allocation among the seller's other customers.
16. SPECIFICATION. To the purchaser's satisfaction and approval, all goods must be in accordance with the final approved plans, specifications and addenda.
17. WARRANTY. Warranty of goods to be as per project specifications and addenda.
18. LABOUR/SERVICES SUBCONTRACT SPECIAL CONDITIONS.
 - Provide Letter of Good Standing from Workers Compensation Commission prior to starting work.
 - Provide certificate from the applicable Construction Safety Association having jurisdiction.
 - Provide proof of insurance coverage to amounts required by project specifications or General Conditions.
 - Provide Statutory Declaration with progress billings & final billing.
 - Warranty to be as per project specifications for parts & labour.

Revision History

Rev	Prepared	Maintained	Approval	Issued	Description of changes
01	G. Breen	K. Marsh		08-Apr-09	Initial Issue.