

STANDARD PURCHASING TERMS AND CONDITIONS CANADIAN GENERAL-TOWER LIMITED (as "Buyer")

ACCEPTANCE: If any materials are delivered or services are performed, as called for by this order, same shall be deemed Seller's acceptance of the entire order and said conditions.

PRICE: The price of this order shall be as shown on the Purchase Order. In no event shall prices exceed those prices last previously quoted or charged to Buyer without Buyer's prior written consent.

QUALITY:

1. By accepting this order, Seller hereby warrants that the material or services furnished will be in accordance with the specifications herein or elsewhere agreed to, and that such warranty shall survive acceptance of and payment for said materials or services.
2. **(A) Seller must request approval in advance in writing to Buyer of any changes in raw material sourcing locations, processing methods and/or materials used to perform this contract. To initiate such a request, submit an Initial Production Parts Advance Approval Request to CGT Purchasing Team.** (B) Where appropriate, eligible Suppliers should have the ultimate objective of becoming certified to IATF 16949 and will be expected to have, as a minimum, quality systems certified to ISO 9001 or quality systems which meet the requirements of ISO 9001.
3. Buyer or an authorized designate of Buyer reserves the right to inspect and approve all materials either at Seller's premises or upon receipt, and, if rejected, the materials are to be replaced at Seller's sole and absolute cost.
4. Buyer reserves the right to cancel all or any part of this order if materials, services or deliverables are not in accordance with the specifications herein or elsewhere mutually agreed to. In such event, the reimbursement provisions outlined in the cancellation clause below shall not apply.
5. **Containment of internal / external non-conforming product. In the event a Seller identifies a quality spill, the Seller is obligated to;**
 - a) *Notify CGT Purchasing and Quality Departments.*
 - b) *Identify part number and determine what has been shipped to CGT, when, what is at CGT, what is en-route to CGT.*
 - c) *Determine when the 'event' occurred (i.e. lot number).*
 - d) *Isolate in-house and warehoused suspect products.*

Buyer will be monitoring Seller's performance, as well as delivered product quality, customer disruptions, including, without limitation, any field returns and delivery performance (including premium freight). Buyer recommends and expects that Seller will similarly monitor the performance of its manufacturing and delivery processes to ensure the highest standards of quality and performance.

Product Safety: If material delivered is related to a product safety characteristic involving flammability, please note that the supplied material must allow the finished product to comply with the requirements of FMVSS 302 as per original approval and customer specific requirements for the location of sale

Statutory & Regulatory Requirements: The suppliers to CGT shall ensure conformance of all products, processes and services to the applicable statutory and regulatory requirements in the country of receipt, the country of shipment, and the customer identified country of destination, if one is provided. As well, if special controls are identified by CGTs customers for certain products with statutory and regulatory requirements, CGT will ensure they are implemented and maintained as defined at the applicable supplier's location through the use of second party audits.

CERTIFICATE OF ANALYSIS: Seller shall send a Certificate of Analysis to Buyer in advance of any shipment to Buyer via e-mail to qc.sharedaccount@cgtower.com and a hard copy of such Certificate of Analysis shall accompany each shipment to Buyer.

TITLE:

1. Unless otherwise stipulated herein, title to products shall pass upon delivery at the F.O.B. point (delivery address) shown on the Purchase Order.
2. Where shipment is made by seagoing vessel: Title of the goods which are subject of the Purchase Order shall not pass to Buyer until Buyer has actually received the information set out below from Seller for the purpose of insurance.
 - a) Order number
 - b) Merchandise
 - c) Shipping Point and Destination
 - d) Name of carrier
 - e) Value of Shipment
 - f) Ocean Bill of Lading Date

Should the goods be shipped prior to receipt by Buyer of the foregoing information, Seller shall be responsible for all risk of loss or damage to the goods. Such information shall not be deemed to have been received by Buyer until it is communicated by e-mail to the Purchasing Department of Canadian General-Tower Limited, Cambridge, Ontario, and confirmation of such receipt has been given by return e-mail.

DELIVERY: If delivery of goods is not completed by Seller on or before the date required in the Purchase Order or other document(s) between Buyer and Seller, Buyer shall have the right to cancel the Purchase Order immediately by giving written notice of cancellation to Seller and, in such event. Buyer shall have no obligation to pay any sum to Seller. Buyer shall have the right to make purchases elsewhere of substitutes for such undelivered goods and Seller agrees to compensate Buyer for any and all losses Buyer suffers or incurs by so doing. If shipment is not made according to Buyer's instructions, the difference in cost shall be charged to Seller.

CANCELLATION: Buyer may at any time and from time-to-time cancel the Purchase Order or any portion thereof by giving written notice of cancellation to Seller. Subject to cancellation in the event of late delivery as outlined above, in the event of cancellation Buyer's total liability shall be limited to Seller's then unpaid out of pocket expenses for work actually performed pursuant to the Purchase Order to the date of its receipt of notice of cancellation.

INVOICING:

1. Each Commercial and Customs invoice from Seller shall contain a sufficient and correct description of the goods, and also indicate Buyer's Purchase Order number, with prefix, item number(s) and/or part number, release number, number of packages or boxes, quantity, unit cost, point of shipment, routing, etc. and tare weights used for truck billings.
2. All invoices shall be mailed or e-mailed directly to Buyer's mailing address / e-mail address indicated on the Purchase Order / AccountsPayable@cgtower.com
3. Invoices shall show applicable taxes as separate line items.

EARLY PAYMENTS: By paying Seller's invoices before the arrival and inspection of material, Buyer avails itself only of the cash discount(s) available and does not thereby accept the quantity and quality as invoiced by Seller. For greater certainty, any such payments are subject to future adjustments.

AUDIT OF SELLER DOCUMENTATION: Buyer reserves the right, on an infrequent and random basis, during normal business hours to audit Seller's supporting documentation for invoiced goods and services from sub-suppliers.

PATENTS: Seller warrants that the use or sale by Buyer of the materials provided pursuant to the Purchase Order do not and will not infringe on any right of invention, patent, trademark or process of manufacture of any third party, and Seller agrees to fully indemnify, defend and save harmless Buyer from and against any costs, damages, losses, claims, actions or expenses whatsoever arising out of any such infringement or alleged infringement.

FORCE MAJEURE: Neither Buyer nor Seller shall be liable for any loss or damage arising from failure to carry out the terms of a Purchase Order or any part thereof as a result of war, riot, strike, difference with workers, acts of God, fires, accidents, or comparable business disruptions. Notwithstanding the foregoing, in the event that Seller is unable to timely perform its obligations under a Purchase Order, Buyer may immediately cancel the Purchase Order by providing written notice to Seller and Buyer shall be permitted to contract with any third party to fulfill such obligations with no further duty or obligation to Seller.

GOVERNING LAW: This contract shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each of Buyer and Seller agree to attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario in respect of all matters governed hereby.

HAZARDOUS MATERIAL:

1. Seller shall always comply with the requirements of the Transportation of Dangerous Goods Act, For Canada and USA, and all amendments and regulations thereto.
2. Materials supplied must be in strict accordance with Safety Data sheets provided, in addition to all applicable environmental and safety legislation in the jurisdiction(s) in which the product is being supplied pursuant to the Purchase Order. Substitutions shall not be made without prior written approval from Buyer in its sole discretion. All materials shipped to Buyer must be pre-approved by the CGT Environmental Department in its sole discretion. Seller agrees that it shall defend, indemnify and hold harmless Buyer from and against all claims, losses, damages, costs/expenses relating from or arising out of failure to so comply with such laws and regulations.
3. Materials considered by Buyer to be potentially injurious to their personnel, customers or the environment, for whatever reason, may be rejected at Buyer's sole option.
4. Workplace Hazardous Materials Information System (WHMIS) – Seller's personnel working on Buyer's property must be trained in accordance with the requirements of WHMIS legislation.

DISPOSAL: Any disposals of products or materials subject to a Purchase Order shall be done in accordance with all applicable legislation and regulations.

DRAWBACKS OF DUTIES AND TAXES: Whenever any legislation or regulation permits the recovery of all or any portion of duties or taxes charged on materials supplied by Seller, Seller shall either recover and remit such duties or taxes to Buyer, or Seller shall fully disclose to Buyer all relevant information and Seller shall execute all necessary waivers (K32A's) or powers of attorney necessary to enable Buyer to complete such recovery.

NORTH AMERICAN FREE TRADE AGREEMENT: All shipments which qualify must be accompanied by a properly completed individual or blanket / yearly Exporter's Certificate of Origin. Duties and penalties resulting from non-compliance certificates will be the sole responsibility and cost of Seller.

CUSTOMS REQUIREMENTS: Save and except for instances where Seller remains solely responsible for customs clearance (in which case Seller shall determine and fulfill all necessary requirements), a Commercial invoice must accompany bills of lading for clearance at the applicable border point by Buckland Customs Brokers. All inland bills of lading shall state "Customs Clearance by Buckland Customs Brokers at Border Points".

INSOLVENCY / SPECIAL STATUS: Either Buyer or Seller shall have the right to cancel the Purchase Order in the event that the other party becomes bankrupt or insolvent or makes an assignment for benefit of creditors pursuant to any applicable bankruptcy, insolvency or creditor protection legislation or regulations. In the event that Seller should be placed under special status with any of its customers, Buyer shall be immediately notified in writing by Seller. This would include, without limitation, special status such as OEM level 2- or third-party containment, new business hold, OEM revocation or hold-quality, changes in ownership or any other customer equivalent of such special status.

INSTRUCTIONS FOR OUTSIDE CONTRACTORS: All outside contractors and/or subcontractors performing work on the premises of the Buyer are required to complete and return EHS F.39 Contractor Prequalification Questionnaire along with a copy of liability insurance. Further any contractors and/or subcontractor worker shall read, complete and return a copy of EHS F.97 Contractor Employee Orientation Checklist prior to commencing any onsite work pursuant of any Purchase Order.

GOVERNMENT & LABOUR LAWS: When applicable in the circumstances, Seller represents that the items called for in a Purchase Order will be products that are manufactured and delivered in accordance with all applicable federal, state, provincial and local laws in Canada, the United States of America and any other applicable jurisdiction(s). When applicable in the circumstances, Seller agrees to furnish on each invoice a statement (in form approved by the U.S. Department of Labour or the comparable governing body) certifying that the items covered by such invoice were produced, manufactured and delivered in accordance with said Fair Labour Standards Act of 1938, as amended, and all lawful regulations and orders issued thereunder. Seller shall not, in performing the work required by a Purchase Order, discriminate against any employee or applicant for employment because of race, religion, colour, sex, national origin, age or handicap. Without limiting the generality of the foregoing, Seller will comply with all provisions of applicable human rights, labour, employment, health and safety, and environmental legislation and related rules and regulations in all applicable jurisdictions. Seller shall comply with 15 USC Section 637 (P.L. 95-507) and Executive Orders 12138 and 11625, as amended from time to time, and the rules and regulations promulgated thereunder, including the provisions set forth in 41 CFR Sections 1-1.1710, 1-1.805 and 1-1.1310. The Utilization Clause set forth in each of such provisions is incorporated herein by reference for all orders in excess of \$10,000.00. The Subcontracting Program Clause set forth in each of such provisions is incorporated herein by reference for all orders in excess of \$500,000.00 and which offer substantial subcontracting possibilities.

MECHANICS LIENS AND INDEMNITY: If Seller's work under a Purchase Order involves operations by Seller on the premises of Buyer or one of one of its customers, it is agreed that:

1. Seller will keep premises and work free and clear of all mechanic's liens and furnish Buyer proper affidavits and/or waivers certifying thereto.
2. Unless otherwise provided by written contract, the work will remain at Seller's risk prior to written acceptance by Buyer and Seller will replace at its own expense all work damaged or destroyed by fire, force or violence of the elements, or any other cause whatsoever.

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3. Seller will indemnify, save harmless and defend Buyer from any and all liability for loss, damage or injury to person (including employees and agents of Seller) or property in any manner arising out of or incident to the performance of this contract and/or a Purchase Order.
4. Seller will indemnify, save harmless and defend Buyer from any and all claims, demands, or suits made or brought against Buyer in connection with Seller's work hereunder and/or pursuant to a Purchase Order on account of any of the terms or provisions of any applicable workers' compensation legislation or health and safety legislation and will furnish Buyer with proper evidence that Seller is insured against all liability under any such laws or regulations.
5. Seller will comply with all federal, state and local safety laws and codes while on Buyer's premises, including Safety Rules and Regulations established by Buyer from time to time in Buyer's sole and absolute discretion.

COMPETITIVE PRICE: If a bona fide lower delivered price is quoted to Buyer for materials manufactured of equal quality in similar quantities contracted for herein or pursuant to a Purchase Order, Seller, at its option (but choosing one), within fifteen days of Buyer giving Seller written notice and proof of said lower price, shall either match said lower price or release Buyer from its obligations to purchase hereunder or pursuant to a Purchase Order to the extent Buyer purchases such material from the manufacturer making such offer. The quantity so purchased by Buyer shall be deducted from the quantity covered by this agreement or the Purchase Order.

TAX: The parties shall be responsible for and pay all taxes applicable to them pursuant to a Purchase Order. If applicable GST / HST shall be paid at time of importation by Buckland Customs Brokers.

For regional terms and condition, please contact CGT.