

ACCEPTANCE - THIS PURCHASE ORDER (THE "P.O.") CONSTITUTES AN OFFER TO BUY GOODS OR SERVICES ACCORDING TO THE DESCRIPTION AND TERMS AND CONDITIONS HEREIN AND FORMS A BINDING CONTRACT WHEN ACCEPTED BY SELLER EITHER BY ACKNOWLEDGMENT OR COMMENCEMENT OF PERFORMANCE. ANY ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS CONTAINED IN ANY ACKNOWLEDGMENT OF THIS P.O. BY SELLER SHALL BE OF NO LEGAL EFFECT NOR IN ANY CIRCUMSTANCES BINDING UPON AWC MANUFACTURING LP (THE "BUYER") UNLESS CONTAINED IN A WRITTEN AGREEMENT PROPERLY EXECUTED BY AN AUTHORIZED AGENT OF BUYER.

CHANGES - Buyer may at any time upon 24 hour notice to Seller make changes in: (a) the method of shipment or packing; (b) drawings, design or specification; and (c) quantities of articles ordered. If such changes affect delivery or the amount to be paid by Buyer, Seller shall notify Buyer immediately in writing detailing cost breakdown and/or any difference in established schedule. Any change to delivery date or amount to be paid by Buyer will be binding only by written agreement of both parties.

DELIVERY - If Seller fails to make deliveries in accordance with the terms and schedules of this P.O., Buyer has the option to terminate this P.O. in whole or in part and to return, at Seller's expense, or refuse to accept goods shipped. Seller shall indemnify Buyer against any loss resulting from such default or delay, provided that, Seller is not liable for delay arising from causes beyond his control, if notice in writing thereof is promptly given.

CANCELLATION - The Buyer may cancel this order in whole or in part at any time upon notice in writing to the Seller. However, delivery shall be accepted of all goods at the contract price delivered to the Buyer prior to the notice of cancellation. The Buyer shall not be subject to any charges upon cancellation.

INSPECTION - All goods/services shall be subject to inspection and acceptance at the Buyer's plant or other place designated by Buyer. If any of the goods/services are found at any time to be defective in material or workmanship, or otherwise not in conformity with the requirements of this P.O., Buyer, in addition to any other rights which it has under warranties or otherwise, has the right to reject and return such goods/services at Seller's expense. Goods/services may not be replaced without Buyer's prior written authorization.

WARRANTIES - The Seller guarantees and warrants the material and/or workmanship covered by this P.O. is free from defects, conforms to and fulfills the specifications herein. Castings shall not be welded without Buyer's consent, which consent does not relieve Seller of its warranty responsibility. Only new materials, equipment and components shall be used unless otherwise expressly stated in this P.O. No other warranties are excluded by this section.

PATTERNS & TOOLING - All tools, gauges, dies, fixtures, patterns and related equipment furnished to Seller by Buyer, or paid for by Buyer and any replacement thereof, shall be plainly marked or adequately identified by Seller as "Property of AWC Manufacturing LP" and shall be safely stored within the Seller's property. Seller shall not substitute any property for Buyer's property and shall not use such property except in filling Buyer's orders. Such property, while in Seller's custody or control shall be held at Seller's risk, shall be kept insured by Seller at their expense and liable for the replacement cost with loss payable to Buyer. All patterns or tooling are subject to removal at the Buyer's written request, in which event Seller shall prepare such property for shipment and return to Buyer F.O.B. Seller's plant, in the same condition as originally received by Seller, reasonable wear and tear accepted. Upon request, the Buyer has the right at all reasonable times to enter the Seller's premises to inspect any and all such property.

SUBCONTRACTING - The Seller shall not, without prior written consent from the Buyer, assign its obligations under this P.O. No subcontract shall relieve the Seller of its obligations under this P.O. All non-conformances arising from improper supplied material or subcontractor errors shall not be corrected until AWC Manufacturing LP has reviewed the parts and Buyer agrees upon a proper corrective action to the subcontractor.

PROPRIETARY INFORMATION - The Seller understands and agrees that the benefits of the Buyer's designs and manufacturing information shall not extend beyond the scope and subject matter of this P.O. The Seller shall not use or disclose, either directly or indirectly, any proprietary information of the Buyer without the prior written consent of the Buyer.

INDEMNITY - Seller agrees to indemnify and save harmless Buyer and its officers, directors, employees and agents from all claims of whatever nature or kind for injury to persons or property or other loss or damage of any kind whatsoever (and all defense costs related thereto) arising from or related to the supply of materials, labour, services, or facilities to be furnished herein, or from anything undertaken or completed in carrying out this P.O.

ADJUSTMENT - Payment of Seller's invoices shall be subject to subsequent adjustment for shortages, for articles rejected and expenses in rework or discovery of articles rejected by Buyer.

PRICES - The prices on this P.O. are firm and shall not be filled at higher prices than herein quoted unless duly approved and documented in a "Revised Purchase Order".

INVOICES - Seller shall submit all invoices to the Buyer's address. All invoices must clearly reference, the Buyer's P.O. number, Seller's G.S.T. requisition number, and the G.S.T. charged. TAX LPLUDED PRICES ARE NOT ACCEPTABLE. Invoices must indicate any items not subject to G.S.T. and P.S.T. and must be shown separately. Payments shall be calculated from the later of the date the invoice is received or the date satisfactory goods and any required documents are delivered to the destination point, unless alternate terms are stated in this P.O. If an invoice is held or returned for correction, time shall run from the date the corrected invoice is received by the Buyer.

SHIPPING - All goods are to be shipped freight prepaid, F.O.B. destination, unless Seller has quoted otherwise in writing. Goods F.O.B. shipping point, Seller shall prepay all shipping charges, routing the goods by a carrier specified, and list said charges as a separate item on Seller's invoice. Invoices for shipping charges shall be accompanied by the original or a copy of the related freight bill. Buyer reserves the right to reject C.O.D. shipments. Seller shall not insure the goods for Buyer's account during shipment except upon Buyer's written request, or where the shipping mode is parcel post.

PACKAGING - No charges for blocking, boxing, crating, tonnage or cartage for regular domestic shipment will be allowed without prior written approval of the Buyer.

CUSTOMS DOCUMENTATION - The Seller shall supply a proper Customs NAFTA Certificate of Origin with each shipment or supply a blanket certificate for the year starting from Jan 1st to Dec 31st of that year.

WHMIS/HAZARD COMMUNICATION - It is Seller's responsibility to determine if goods supplied are hazardous materials or controlled products under the WHMIS legislation/OSHA Standards, and Seller is responsible for the appropriate packaging, labeling and LPlusion of current MSDS documentation with shipment.

STANDARDS - All goods delivered or used by Seller must meet the material specifications referenced in this P.O. Where no specification is referenced, the material must meet the requirements of one of the following institutions: American Society of Metals (ASM), American Society of Testing Materials (ASTM), or the American Iron and Steel Institute (AISI). A true copy of the material mill test report shall accompany all deliveries to the Buyer; verify the specifications the material has been manufactured to. Upon failure to meet the specifications required or provide the material mill test report the Buyer shall have the right to reject and return goods at the Seller's expense, which right shall endure to the benefit of the Buyer following acceptance of said goods.

CONFIDENTIALITY NOTICE - This purchase order and any attachments are intended only for the use of the individual or entity to which they are addressed and may contain information that is confidential, proprietary, privileged and/or exempt from disclosure under applicable law. If the reader of this purchase order is not the intended recipient you are notified that any distribution, copying, disclosure and use of, or reliance on the contents of this purchase order is strictly prohibited. If you have received this purchase order in error, please notify the sender immediately and destroy the purchase order and any attachments and all copies.

APPLICABLE LAW AND JURISDICTION - Any dispute related to the application or interpretation of these terms and conditions shall be determined according to the laws of the Province of Ontario.