



# STANDARD PURCHASE ORDERS TERMS AND CONDITIONS

CD161-1

\* Marine Canada Acquisition Inc. DBA SEASTAR SOLUTIONS

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1. The Buyer, SeaStar Solutions, will no longer mail a confirmation copy of the purchase order unless specifically required by Seller. A copy of Purchase Orders Terms and Conditions will be faxed to Seller at the beginning of each New Year. These terms and conditions apply to all orders to Seller and Seller should be deemed to have accepted this terms and conditions upon Seller's acceptance of any purchase order issued by Buyer.
2. DELIVERY: Time is of the essence of this order and if delivery is not affected by time agreed, Buyer reserves the right to cancel or to purchase elsewhere. Buyer may from time to time change delivery schedules or direct temporary supervision of scheduled shipments.
3. QUANTITIES: Deliveries to be in the amount specified on this order, under or over runs subject to acceptance by Buyer and upon notification by Seller.
4. INVOICES:
  - A. Invoices for charges other than or in excess of, amount shown on order will not be honored
  - B. Invoices must be supported by written Purchase Orders.
  - C. Invoices must be submitted in duplicate.
  - D. Discount shall be calculated from date invoice is received in proper form or from date material is received, whichever is later.
5. CHANGES: The Buyer shall have the right by written order to make changes from time to time in accordance with its needs in the work to be performed by the Seller herein. If such changes cause an increase or decrease in the amount due under the order, or in the time required for its performance, an equitable adjustment shall be made and the order should be modified in writing accordingly.
6. SHIPMENTS:
  - A. All shipments must be accompanied by a packing list showing our order number, quantity shipped, part number and description of material.
  - B. No charges for cartage or packing unless agreed to on purchase order.
  - C. Excess cartage will be charged back on all shipments not routed as per instructions.
  - D. On any prepaid shipments chargeable to us, transportation receipts must be attached to invoice.
  - E. Certifications must be supplied when specified. Failure to supply proper certification can result in rejection of material. If drawing is specified, do not proceed without approved print and/or material specification.
7. INSPECTION:
  - A. All goods or service furnished on this order shall be subject to Buyer's inspection and acceptance or rejection notwithstanding prior payment to obtain cash discount.
  - B. Buyer reserves the right to reject any material supplied on this order which is found to be defective at any time and will charge back cost of defects whether in our plant or at final destination of material, including all handling charges.
  - C. Buyer reserves the right to request acceptable replacement.
8. BUYERS PROPERTY:
  - A. All tools, jigs and fixtures, pattern equipment specifications, drawings and other property furnished by Buyer to Seller in connection with this order shall remain the property of Buyer, are for the sole use of Buyer and will be returned to Buyer upon demand. Seller assumes liability for all loss or damage to such property of Buyer and will keep all such tooling and equipment in good working condition and insured for Buyer's benefit at Seller's expense.
  - B. All such specifications, drawings, tooling and other property of Buyer will be held in confidence by Seller, will not be used for or disclosed to other persons without Buyer's prior written consent.

Document: CD161-1.pdf released at:

[http://canada.seastarsolutions.com/wp-content/uploads/supplierdocs/CF161-1\\_standard\\_terms\\_and\\_conditions.pdf](http://canada.seastarsolutions.com/wp-content/uploads/supplierdocs/CF161-1_standard_terms_and_conditions.pdf)

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9. **PATENT PROTECTION:** By accepting this order Seller agrees to indemnify and hold harmless and protect the Buyer, its successors, assigns, customers and the users of its products from and against all loss, damages, liability, claims, demands, and suits at law or equity, or actual or alleged infringement of any Canadian or United States patent, trade mark or corresponding rights by the materials or articles called for by this Purchase Order.
10. **NON-CANADIAN SUPPLIERS:** All suppliers outside Canada must supply a Canada Customs Invoice or a commercial invoice to accompany the shipment. These are to be labeled "CUSTOMS DOCUMENTS". Mail one copy of Canada Customs Invoice to Buyer. Shippers from U.S.A. must also supply a Free Trade Certificate of Origin if the goods are of U.S. manufacture.
11. **WARRANTY:** Seller warrants that all material and work covered by this Purchase Order will conform to applicable specifications, drawings, samples and/or other description given and will be merchantable and free from defect in workmanship and material. Unless the materials or articles covered by this Purchase Order are manufactured completely to detailed drawings furnished by Buyer, Seller assumes design responsibility and warrants the items to be fit and sufficient for the purposes intended. The warranties of the Seller together with its service guarantees shall run to the Buyer and or its customers.
12. **APPLICABLE LAW:** the laws of British Columbia will govern this contract.
13. **CANADIAN SUPPLIERS:** K-32A Forms required on all imports and forwarded to Buyer upon request.
14. The terms and conditions set forth in the SeaStar Solutions Supplier Handbook, as amended from time to time, are incorporated by reference herein and form a part of this Purchase Orders Terms and Conditions.  
A copy of the SeaStar Solutions Supplier Handbook is available at:

[http://canada.seastarsolutions.com/wp-content/uploads/supplierdocs/CF161-3\\_supplier\\_handbook.pdf](http://canada.seastarsolutions.com/wp-content/uploads/supplierdocs/CF161-3_supplier_handbook.pdf).