

# Supplier terms and conditions

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## 1 Application

These terms apply to every quotation and order for work by Drumlin Plate & Vessel (the shop) for a buyer, unless both parties sign different terms. Terms printed on the buyer's purchase order apply only where the shop accepts them in writing.

## 2 Quotations

A budget price is an estimate for planning. A firm quotation is open for [30] days and is based on the drawings, codes and quantities listed in it. Material prices on plate may be adjusted if the mill price changes before the order is placed.

## 3 Prices and payment

Prices are in Canadian dollars and exclude taxes, freight, permits and escorts unless stated. Unless the quotation says otherwise, invoices are due [30] days from the invoice date. Orders over \$[250,000] are billed by milestone:

- [20]% on order acceptance
- [30]% on receipt of plate
- [40]% on successful hydrostatic test
- [10]% on delivery of the data report

## 4 Drawings and confidentiality

Drawings and data from the buyer are used only for the buyer's work. The shop signs the buyer's non-disclosure agreement on request before drawings are shared.

## **5 Delivery**

Delivery is FCA, Milton shop (Incoterms 2020), unless the quotation says otherwise. Ship dates assume approved drawings and released material by the dates in the quotation. Oversize loads ship when permits and escorts are confirmed.

## **6 Inspection and acceptance**

The buyer may witness any hold point on the inspection and test plan with [5] working days' notice. Work is accepted when the data report is signed by the Authorized Inspector, or [10] days after delivery if the buyer has not reported a defect in writing.

## **7 Warranty**

The shop warrants its workmanship and the materials it supplies against defects for [12] months from start-up or [18] months from delivery, whichever comes first. The remedy is repair or replacement at the shop's choice. The warranty does not cover corrosion, erosion or operation outside the design conditions.

## **8 Limitation of liability**

The shop's total liability for any order is limited to the price of that order. Neither party is liable for loss of production, loss of profit or other indirect loss.

## **9 Changes**

Changes to drawings, codes or quantities after order acceptance are priced and scheduled as a written change order before the work proceeds.

## **10 Force majeure**

Neither party is liable for delay caused by events beyond its reasonable control, including mill delays, carrier and permit delays, strikes and severe weather. The affected party gives notice promptly and the schedule is extended by the length of the delay.

## **11 Cancellation**

If the buyer cancels an accepted order, the buyer pays for work done, material bought for the order that cannot be returned, and a cancellation charge of [10]% of the remaining price.

## **12 Governing law**

These terms are governed by the laws of Ontario and the federal laws of Canada that apply there. The United Nations Convention on Contracts for the International Sale of Goods does not apply.

## **13 Entire agreement**

The quotation, these terms and any signed change orders are the whole agreement for the order.

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Accepted for the buyer: name, title, date