

PRIDE SIGNS LTD. SUBCONTRACT TERMS OF PURCHASE

1.0 DEFINITIONS

1.1 In this Subcontract, the following terms and expressions shall have the meanings hereinafter assigned to them except where the context otherwise requires:

- (a) "Acceptance" - written acknowledgment by Buyer to the Supplier that the Work meets all the requirements of the Subcontract.
- (b) "Subcontract" - the signed agreement entered into by the Parties.
- (c) "Customer" - Buyer's customer or, if applicable, Buyer's higher-tier customer(s);
- (d) "Delivery" - delivery of the Work to the destination specified;
- (e) "Documentation" - any or all documents, writings, records, technical data, or software however recorded;
- (f) "Equipment" - any or all equipment including hardware, machinery, assemblies, instruments, devices or articles, as the case may be, specified in the Subcontract as deliverable items.
- (g) "Herein, hereby, hereof, hereunder" - and similar expressions, shall be understood to relate to the Subcontract as a whole;
- (h) "Lower Tier Subcontract" - an agreement which exists between the Supplier and any person for the purpose of providing part or all the Work to the Supplier.
- (i) "Notice" - notification or communication in written form and shall include printed telecommunications;
- (j) "Party" and "Parties" - are terms by which Buyer and the Supplier are sometimes referred to, individually or collectively;
- (k) "Patent" - any patent of invention, right or application for patent of invention claiming all or part of the Work as well as all continuations, continuations-in-part, divisions, reissues, renewals, supplementary disclosures, extensions, refiling and amendments thereof.
- (l) "Services" - all labour or duties to be rendered, performed, provided or otherwise delivered to Buyer by the Supplier.
- (m) "Supplier" - the person or other legal entity with whom Buyer has executed the Subcontract.
- (n) "Statement of Work" - the document which is identified in the Subcontract and which describes the Work;
- (o) "Work" - any and all Equipment, Services, supplies and all other activities required to be provided, furnished, undertaken and performed by the Supplier under the Subcontract and shall include all Documentation and deliverables.

2.0 SCOPE OF SUBCONTRACT

2.1 The Supplier shall furnish all personnel, material, equipment (including necessary jigs, tools and test equipment), transportation, services and facilities necessary to perform the Work identified in the Statement of Work in accordance with the Subcontract.

3.0 ACCEPTANCE OF SUBCONTRACT

3.1 This Subcontract is issued subject to the express condition that it may be accepted only on the terms and conditions contained in it. The Supplier shall be bound by the Subcontract when it executes and returns to Buyer the "Acknowledgment Copy", when it otherwise indicates its acceptance of this Subcontract or when it commences performance or delivers to Buyer any of the Work. Where there is a conflict between the terms and conditions stated in this Subcontract and the provisions of any standard form Subcontract of the Supplier, the terms and conditions of this Subcontract shall prevail despite any statement to the contrary in the standard form Subcontract of the Supplier.

3.2 This Subcontract constitutes the entire agreement between Buyer and the Supplier.

3.3 Buyer and the Supplier may at any time modify the Subcontract by an amendment in writing signed by the Supplier and a duly authorized representative of Buyer.

4.0 STATUS OF SUPPLIER

The Supplier is engaged as an independent Subcontractor for the sole purpose of performing the Work. Neither the Supplier nor any of its personnel is engaged as an employee or agent of Buyer and may not make any agreement, commitment or undertaking on behalf of Buyer. The Supplier is responsible for

all deductions and remittances required by law in relation to its employees including those required for applicable pension plans, unemployment insurance, Workers' compensation or income tax.

5.0 LOWER TIER SUBCONTRACTS

5.1 The Supplier represents that it is independently capable of fulfilling all of the requirements of this Subcontract and that it shall not enter into any Lower Tier Subcontract without Buyer's prior written approval. Buyer shall consider any reasonable request from the Supplier to Subcontract a portion of the Work and shall have the right, at its sole discretion, to approve or disapprove any Subcontractor the Supplier intends to use. Notwithstanding any such approval granted by Buyer, the Supplier is not relieved from its responsibility to perform the Work described in the Subcontract.

5.2 It is the Supplier's obligation to ensure relevant Quality Assurance (QA) requirements are imposed on all Lower Tier Subcontractors and are fully complied with by the Lower Tier Subcontractors.

6.0 TIME OF ESSENCE

6.1 Time is of the essence of this Subcontract.

7.0 DELAYS

7.1 The Supplier shall notify Buyer within twenty-four (24) hours of the occurrence of any event which may affect the delivery schedule, the price, the performance of the Work or any other condition of the Subcontract, whether or not such event is beyond the control of the Supplier.

7.2 The Parties shall not be liable to each other for failure to perform any obligation under this Subcontract to the extent that such failure is due to force majeure or to any other cause beyond the reasonable control of the Party and not occasioned by its fault or negligence or the fault or negligence of any Lower Tier Subcontractors. Such causes shall include, but are not limited to: acts of God, acts of war, fires, floods, explosions, natural disasters, any act of government, failure or delay in transportation, or labour disputes.

7.3 The Party so affected shall promptly notify the other Party in writing of the occurrence and the estimated duration of the delay. The Parties shall agree upon a course of action to avoid or minimize the delay which the affected party shall immediately implement.

7.4 Should any delay extend beyond one (1) month, the Subcontract may be terminated by Buyer in accordance with the Article entitled "TERMINATION FOR CONVENIENCE".

8.0 QUALITY ASSURANCE REQUIREMENTS

8.1 The Supplier shall maintain a Quality Assurance (QA) program.

8.2 Buyer, Customer, and their respective agents, shall have free access at all reasonable times, to permit monitoring of work in progress.

8.3 Buyer's representative shall notify the Supplier of all observed non-conformances. The Supplier shall immediately take action to correct the non-conformance and report the corrective action to Buyer in writing.

8.4 Notwithstanding inspection, Delivery or Acceptance of the Work by Buyer, the Supplier is not relieved of its obligation to provide Work which is free of defects and meets all the requirements of the Subcontract. Upon notice from Buyer, the Supplier shall correct the defect or deficiency without cost to Buyer.

9.0 INSPECTION AND ACCEPTANCE OF THE WORK

9.1 All Work shall be subject to inspection and approval by Buyer prior to Acceptance. Neither Delivery, receiving inspection nor payment for the Work shall constitute Acceptance.

9.3 Buyer shall have the sole right to determine acceptability of the Work and may at its discretion reject or retain all or any part thereof.

9.4 Final inspection and Acceptance of the Work shall be performed at Customer's facility or such other facility as Buyer may advise. Inspection and Acceptance of the Work shall be performed in accordance with the Subcontract requirements. Buyer's Acceptance or rejection shall be made in writing. If written notification of Acceptance or rejection is not given within thirty (30) days of Delivery, the Work shall be deemed to be accepted.

9.5 Buyer shall have no obligation to pay for or give other consideration for rejected Work. The Supplier shall be solely responsible and shall save Buyer harmless for all costs, expenses and risk associated with the return of the Work to the Supplier.

9.6 In the event that Buyer elects to retain all or part of the rejected Work, an equitable adjustment to the Subcontract price shall be made.

10.0 WARRANTY AND CORRECTION OF DEFECTS

10.1 Notwithstanding any inspection by Buyer or Acceptance granted by Buyer in respect of the Work, and without restricting any warranty implied by law, if, within a period of one (1) year following Acceptance, the Work is determined to be defective in material, performance, workmanship or is otherwise not in accordance with the requirements of the Subcontract, Buyer shall give written Notice thereof to the Supplier. Buyer may reject further Delivery or return the defective Work to the Supplier at the Supplier's risk and expense. At its discretion, Buyer may require that (a) such Work be replaced by the Supplier free of charge, or (b) the price paid by Buyer shall be reimbursed by the Supplier, or (c) the Work shall be repaired or modified by the Supplier at Supplier's sole expense. The Supplier shall promptly repair or replace the Work and deliver the same in accordance with the Subcontract.

10.2 If the Supplier fails within a reasonable time to repair or replace the defective Work, Buyer may, by Notice to the Supplier, take any action it considers necessary to remedy the Work, which action shall be at the Supplier's expense.

10.3 Replacement Work shall be subject to a warranty period of one (1) year commencing on the date of replacement of defective Work. Where defective Work is repaired or modified under the provisions of this Article, the warranty period shall be extended by the same period for which the Work was not available to Buyer.

10.4 If the defect observed during the warranty period is found to be systemic, the Supplier shall replace or modify at its expense all identical components covered by the Subcontract even if the other components are functioning correctly. The warranty period for negligence, fraud and latent defects shall be perpetual.

10.5 The Supplier shall, when complying with the provisions of this Article, bear the cost of transportation of the Work from and to any Delivery destination specified in the Subcontract. Any additional transportation costs arising from Buyer's requirements for shipment from or to a destination different from that stated in the Subcontract, will be borne by Buyer.

11.0 OWNERSHIP OF MATERIALS, DRAWINGS, DATA AND INVENTIONS

11.1 All drawings, plans, specifications, data, Documentation, software, models, patents, Inventions conceived or developed or first reduced to practice in the performance of this Contract, copyrights, design rights, proprietary rights, technology and information in tangible form, prepared, delivered, acquired or made by the Supplier (collectively, "foreground intellectual property") or submitted by Buyer to the Supplier ("background intellectual property") pursuant to this Contract (foreground intellectual property and background intellectual property collectively hereinafter referred to as the "Items") shall be the sole property of Buyer. Such Items shall be delivered or disposed of according to Buyer's written instructions.

11.2 The Supplier shall be liable for damage to, or other loss of the Items referred to above while in the Supplier's possession or within its control. The Supplier agrees that it shall be responsible for the security and protection of the said Items. The Supplier shall regard the content of the Items as confidential and proprietary to Buyer and shall not use, distribute or furnish to others or duplicate or allow the said Items to be used, distributed, furnished to others or duplicated without Buyer's prior written consent.

11.3 All materials, tools, fixtures, drawings, plans, specifications, data, Documentation, software, submitted by Buyer to the Supplier ("Buyer Property") pursuant to the Subcontract shall remain the property of Buyer and shall be used by Seller solely for the purpose of performing the obligations under the Subcontract. Such Items shall be used or disposed of according to Buyer's written instructions.

11.4 The Supplier shall be liable for damage to, or other loss of the Buyer Property referred to above while in the Supplier's possession or within its

protection. The Supplier agrees that it shall be responsible for the security and protection of the Buyer Property. The Supplier shall regard the content of the Items as confidential and proprietary to Buyer and shall not use, distribute or furnish to others or duplicate or allow the said Items to be used, distributed, furnished to others or duplicated without Buyer's prior written consent.

11.5 If requested by Buyer, Supplier agrees to enter into a Proprietary Information agreement with Buyer in respect of the said items.

11.6 The Parties agree that the provisions of this Article shall survive any termination or completion of this Subcontract.

12.0 CONTINUOUS PERFORMANCE

12.1 Pending the settlement of any dispute, difference or claim arising under this Subcontract, the Supplier shall proceed diligently with the performance of the Subcontract and the Statement of Work.

13.0 CHANGES

13.1 Buyer may at any time, by Notice and without notice to sureties, make changes in any one or more of the following: (a) Requirements, drawings, designs and specifications, (b) Method of delivery, (c) Place or method of inspection, Delivery or Acceptance, (d) Time or times for Delivery.

If any such change causes an increase or decrease in the cost or the time required for the performance of any part of the Work, an equitable adjustment in the price or delivery schedule, or both as may be required, shall be negotiated by the Parties and the Subcontract shall be amended in writing accordingly.

13.2 Any claim for adjustments shall be deemed waived unless asserted by Notice to be received by Buyer within twenty-five (25) days of Buyer's Notice to the Supplier. Nothing in this Article shall excuse the Supplier from promptly proceeding with the Work as changed.

14.0 SUSPENSION

14.1 Buyer may suspend the Supplier's performance of the Work hereunder, in whole or in part, at any time, upon giving the Supplier written Notice.

14.2 In the event that a suspension is ordered by Buyer, the Supplier shall be entitled to payment for all reasonable costs allowable pursuant to the Subcontract and incurred by the Supplier in its performance of the Subcontract for the Work suspended up to the date of suspension. Such costs shall be subject to audit by Buyer.

15.0 TITLE AND RISK

15.1 The Supplier warrants that it has title to all of the Work, that the Work is free of all liens, encumbrances and other defects of title. Title to the Work shall pass to Buyer upon Delivery.

15.2 The Work shall be performed at the sole risk of the Supplier. Without prejudice to Buyer's right of rejection under the Article entitled "WARRANTY AND CORRECTION OF DEFECTS", title shall pass to Buyer upon Delivery of the Work.

16.0 SHIPPING INSTRUCTIONS

16.1 In any instance where Supplier is required to make a delivery to Buyer, deliveries shall be accompanied by a packing slip and, where appropriate, Material Safety Data Sheets. The packing slip shall provide at least the following information: a description of the items, part numbers, revision status, quantity shipped and Buyer's order number(s).

16.2 The Supplier shall comply with all requirements of the Transportation of Dangerous Goods Act (Canada).

17.0 IMPORT/EXPORT AND CUSTOMS REQUIREMENTS

17.1 Where applicable, a properly completed and signed Canada Border Services Agency invoice showing number of parcels, description of the order, weight, unit price and selling price, country of origin, broker, reason for export if other than "sold to", and USCMA Certificate (where applicable) is required with every shipment of goods into Canada. The Supplier shall be solely responsible for the accuracy and completeness of information provided to meet traffic and Border Services requirements and shall be responsible for all costs or delays resulting from failure to provide accurate and complete information. The Supplier shall be solely responsible for obtaining and maintaining any registration or operation licenses and permits, and import or export approvals, from any governmental authority in Canada, the United States, and any other applicable nation, province, state or other subdivision thereof as required for shipment, distribution of technical data, and any other disclosure or performance under this Subcontract. Supplier shall be responsible for any and all costs or delays resulting from failure to comply with this Article.

18.0 TERMINATION FOR CONVENIENCE

18.1 Buyer has the right to terminate the Subcontract or any part thereof at any time upon giving the Supplier written Notice. Termination shall be effective on the date specified in the Notice.

18.2 In the event of termination under this Article, the Supplier shall be reimbursed for all Work performed and all expenses properly incurred to the date specified in the Notice in the performance of the terminated Work. The Supplier shall be reimbursed for all costs and expenses that are reasonably incurred by the Supplier in complying with Buyer's directions because of termination of the Subcontract plus a profit to be paid as mutually agreed upon by the Parties. In no event shall payment exceed the Subcontract price less any amount previously received by the Supplier.

19.0 DEFAULT

19.1 If Supplier fails to make satisfactory progress in performing its obligations hereunder, as may reasonably be determined by Buyer, or if Supplier is in default of performing any part of the Subcontract and fails to take steps satisfactory to Buyer to remedy the default within ten (10) days of receipt of written Notice from Buyer, Buyer may at any time by Notice terminate all or any part of this Subcontract. Events of default include but are not limited to: (a) failure to pay its accounts, (b) failure to comply with any law relating to the Work, (c) assignment of the Subcontract or any part thereof without the prior written consent of Buyer, or (d) refusal to correct defective Work. Buyer may terminate the Subcontract forthwith if the Supplier commits, whether voluntarily or not, any act of insolvency, bankruptcy or enters receivership.

19.2 The termination shall be effective on the date specified in the Notice. Buyer may at its option take possession of or retain any of the raw materials, Work (whether wholly or partially completed), finished parts, tooling, etc., under the Subcontract, and finish the Work by whatever means it may deem expedient. The price specified in the Subcontract, equitably reduced if the Work is non-conforming or partially completed, shall be credited against the Supplier's liability to Buyer arising from the default. The Supplier shall be liable for all losses, damages, and additional costs incurred by Buyer because of the Supplier's default under the Subcontract. The Supplier shall not be entitled to receive any further payment until Buyer has been able to have Work completed by a third party or itself. Buyer shall not be liable to the Supplier for any loss, damage or expense, loss of anticipated profits or any other expense suffered by the Supplier because of Buyer's termination of the Subcontract under this Article. Following completion and delivery of the Work to Customer, the net amount owing to Buyer, or the Supplier shall be paid within thirty (30) days of receipt by the Supplier of Buyer's written claim and reconciliation.

20.0 SUPPLIER'S LIABILITY

20.1 The Supplier shall indemnify and save harmless Buyer from and against all claims, demands, proceedings, damages, costs and expenses made against or incurred by Buyer which may be caused by the Supplier, directly or indirectly, in whole or in part, including any loss or damage sustained by Buyer by reason of:

(a) Death, personal injury or property damage arising out of or as a result of the performance by the Supplier of the Subcontract unless the injury, damage or loss was caused solely by the wrongful act or omission of Buyer; or
(b) Damage to any property which is in the custody, control or possession of the Supplier in connection with and during the performance of the Subcontract.

20.2 The Supplier's liability under this Article shall survive Delivery, Acceptance, approval or use of the Work, or any part thereof, by Buyer or Customer.

21.0 PATENT INDEMNITY

21.1 The Supplier shall, at its expense, defend Buyer from and against all claims, actions or proceedings against Buyer based on any allegation that the Work or any part thereof furnished by the Supplier hereunder constitutes an infringement of any Patent or other intellectual property right. The Supplier shall hold harmless and indemnify Buyer for all costs, damages, charges and expenses occasioned to Buyer by reason thereof. Buyer will give the Supplier prompt written Notice of any such claim, action or proceedings. At the request of the Supplier and at the Supplier's expense, Buyer will provide the Supplier with reasonable information, assistance and authority for its defence.

21.2 If the Work furnished by the Supplier is held to constitute an infringement, the Supplier, at its expense, shall forthwith either: (a) Secure for Buyer the right to use the Work; or (b) Replace the infringing Work with non-infringing items; or (c) Modify the Work as may be necessary so that it no longer infringes; AND

(d) Arrange for the removal of any injunction that may have been granted against Buyer with respect to such infringement.

21.3 The provisions of this Article shall not apply to any infringement resulting from modification or addition by anyone other than the Supplier to the design after Delivery of the Work to Buyer.

21.4 Buyer shall not be bound by any settlement of an infringement claim made by the Supplier without Buyer's written consent.

22.0 LIENS

22.1 The Supplier represents that it is not a party to and that it shall not become a party to any Subcontract nor voluntarily enter any relationship with any person, whereby such person may obtain any right, lien or other encumbrance upon the Work before or after title thereto has become vested in Buyer.

22.2 The Supplier shall take and pursue in a timely and effective manner, all steps or proceedings necessary to have set aside, removed or discharged any such right, lien or encumbrance arising by operation of law or otherwise, without cost to Buyer. The Supplier shall provide Buyer with adequate confirmation that the lien has been set aside, removed or discharged. However, the Supplier shall not be required to set aside, remove or discharge, until Acceptance and Delivery of the affected Work, any such right, lien or encumbrance which it is contesting in good faith, as long as such contestation postpones or defers any rights of forfeiture or seizure and adequate security is provided to protect Buyer and its Customer from all liability or damage which may result from an unsuccessful contestation.

22.3 If the Supplier shall receive any notification that a right, lien or encumbrance on any of the Work has been or may be claimed or enforced by any person, the Supplier shall forthwith deliver a Notice containing pertinent details to Buyer. The Supplier shall indemnify and save harmless Buyer from and against all liability, claims, costs, damages, actions, suits and proceedings resulting from or occasioned by the Supplier's actions under this Article.

22.4 Failure to comply with the provisions of this Article shall constitute a default under the Subcontract.

23.0 LIMITATION OF LIABILITY

23.1 Notwithstanding any other provision of the Subcontract, Buyer's total liability resulting from or in connection with this Subcontract shall not exceed the Subcontract price. In no event whatsoever shall Buyer be liable for indirect or consequential damages, or for loss of the Supplier's use or profit.

24.0 FINANCIAL

24.1 The Subcontract is a firm fixed price Subcontract for which the Supplier shall be paid the Subcontract price in the currency specified in the Statement of Work.

24.2 The price to be paid to the Supplier shall be deemed to include all charges relating to the Work including, but not limited to licenses and permits, charges related to packaging, preservation, transportation, Delivery, taxes, costs relating to customs and duties, and shall not be subject to adjustment due to changes in rates. The amounts included in the price for customs duties, excise tax, all sales taxes and transportation costs shall be individually stated.

24.3 Unless specified otherwise in the Subcontract, the Supplier will be paid following Delivery of the Work in accordance with the delivery schedule to the specified location and upon receipt of invoices as required in the Subcontract.

24.4 Payments shall be made net thirty (30) days from the later of the Delivery, inspection and Acceptance of the Work or the date of receipt by Buyer of properly prepared invoices. All invoices shall be sent to the person and address specified in the Subcontract. A concise, accurate description of the Work itemized in accordance with the list of deliverables contained in the Subcontract shall accompany the invoice.

24.5 Any amount payable or refundable by the Supplier to Buyer may be taken by Buyer. as a cash refund or may be offset by Buyer. against any payment due, or to become due, to the Supplier under the Subcontract, as Buyer. in its sole discretion may decide. Credits in favour of Buyer. shall not expire.

25.0 RECORDS AND AUDITS

25.1 The Supplier shall maintain, in accordance with generally accepted accounting principles, accounts and records of all its business activities in connection with this Subcontract. Such accounts and records shall include, but are not limited to, invoices, vouchers, receipts, purchase orders and timecards, relating to direct materials, labour, engineering, other direct manufacturing costs and such indirect costs as are allocated to the Work being performed under the Subcontract.

25.2 In the event of a termination of the Subcontract pursuant to the Articles entitled "TERMINATION FOR CONVENIENCE" or "DEFAULT", these accounts and records shall be open to audit by Buyer, who may make copies thereof and take extracts therefrom. The Supplier shall afford all facilities for such an audit and inspection, and shall furnish such information as may be requested.

25.3 All accounts and records pertaining to the Work performed under the Subcontract shall be preserved and made available for an audit and inspection for a period of seven (7) years after the completion of the Subcontract.

26.0 INSURANCE

26.1 The Supplier shall provide and maintain, at its own expense, adequate insurance as defined in this Article covering the Work, materials, and the premises in which the Work is being performed, during the entire period of performance of the Subcontract. The Supplier shall provide proof of such insurance prior to the commencement of Work. The Parties agree that should the Supplier not arrange for adequate insurance, Buyer has the right, but not the obligation, to arrange for such insurance coverage on behalf of the Supplier and shall be entitled to deduct the cost of the insurance from the amount due and owing to the Supplier under the Subcontract. The Supplier shall be responsible to Buyer for any and all damages incurred by Buyer including all costs and expenses arising from or due to the Supplier's failure to obtain and maintain insurance.

26.2 Supplier shall provide and maintain the following insurance:

(a) Workers' Compensation – statutory or its equivalent within the jurisdiction in which the Work is performed;

(b) Employer's Liability - \$1,000,000 per employee, per accident and per disease;

(c) Comprehensive General Liability or Commercial General Liability insurance, which will include but not be limited to products liability, premises liability, completed operations, and contractual liability, with minimum limits of \$5,000,000 per occurrence and in the aggregate. Coverage shall apply on a worldwide basis;

(d) Automobile Liability – including coverage for all owned, hired and non-owned automobiles with minimum limits of \$5,000,000 per occurrence.

(e) If professional services are being provided, Professional Liability covering all claims arising out of errors & omissions, including designs, of the Subcontractor in the performance of professional services with a limit not less than \$5,000,000 per occurrence.

(f) If applicable, Pollution Legal liability with a limit not less than \$5,000,000 per occurrence covering the sudden or gradual discharge, release or escape of pollutants or hazardous materials; and

27.3 Insurance Coverage. Subcontractor is permitted to include umbrella/excess liability insurance policies to satisfy the above minimum limits. All insurance coverages will be occurrence coverage in amounts and for duration acceptable to Buyer with an insurance carrier rated 'A-' or better in the most current edition of A.M. Best's rating guide (or equivalent rating agency in the jurisdiction in which the Work is performed). Subcontractor will name Pride Signs Ltd. and its affiliates, shareholders, directors, officers, employees, agents, subcontractors, suppliers and Customers as additional insured under all liability policies and provide Buyer with Certificates of Insurance before the Work commences. Subcontractor's insurance shall be primary, and any insurance possessed by Buyer will be excess and non-contributory. Deductibles and self-insured retentions are solely the Subcontractor's responsibility.

27.0 ASSIGNMENT

27.1 Buyer shall have the right to transfer, sell or assign its rights and obligations hereunder upon written Notice to the Supplier. The Supplier shall not transfer, sell or assign the Subcontract or any part thereof without the prior written consent of Buyer.

28.0 PUBLICITY

28.1 The Supplier agrees that it shall not release for publicity in any manner, style or form any information whatsoever in connection with this Subcontract, without the prior written permission of Buyer. The Supplier further agrees to require all of its Lower Tier Subcontractors to accept an identical restriction on publicity.

29.0 NOTICES

29.1 Any notice shall be in writing and may be delivered by hand or by courier, by registered mail, or by facsimile or other electronic means that provides a paper record, addressed to the party for whom it is intended at the address shown on the cover sheet of the Subcontract. Any notice shall be deemed to be effective on the day it is received at that address.

30.0 LAWS

30.1 The Subcontract shall be governed by the laws of the Province of Ontario, Canada. Any suits, claims or actions relating to the Subcontract shall be brought in a court of competent jurisdiction in the Province of Ontario and the Parties hereby attorn to the jurisdiction of such courts for the purpose of adjudicating any such suit or action. The Parties to this Subcontract agree that in any legal proceeding which arises out of or relates to this Subcontract, the prevailing Party shall be entitled to recover its costs and expenses associated with such proceeding including reasonable attorneys' fees. The provisions of the United Nations Convention on Subcontracts for the International Sale of Goods shall not apply to this Subcontract.

30.2 The Supplier agrees to comply in full of all applicable laws, regulations, by-laws and directives relating to the performance of the Work, including without limitation all those relating to occupational health and safety, environmental protection, hazardous products and Workers' compensation requirements. The Supplier shall impose the same requirements on its Lower Tier Subcontractors and shall be responsible for ensuring such compliance.

31.0 RIGHTS, REMEDIES AND WAIVER

31.1 The remedies and warranties available to Buyer by this Subcontract shall be cumulative and in addition to any other remedies and warranties in law or equity. A waiver of a breach of any provision hereof shall not constitute a waiver of any other breach.

31.2 The Supplier, upon the request of Buyer, shall negotiate in good faith, amendments to the Subcontract to incorporate additional provisions or to change provisions hereof as Buyer may reasonably deem necessary in order to comply with the provisions of any prime Subcontract between Buyer and its Customer.