

Standard Purchase Order Terms and Conditions

April 4, 2007, to Current Date

AGREEMENT DOCUMENTS: Unless this Purchase Order ("PO"), also referred to as a Work Authorization ("WA"), is issued under a written procurement agreement between Supplier and the buying company issuing this PO ("Buyer"), this PO and any attachments are the sole agreement between Buyer and Supplier with respect to the products or services specified in this PO. The terms and conditions in this Purchase Order are subject to change without notice. No other document, including the Supplier's proposal, quotation, or acknowledgment form, will be part of this agreement, unless specifically agreed to in writing by Buyer. Upon Buyer request, Supplier will invoice Buyer electronically. No right that Buyer has regarding this agreement may be waived or modified except by Buyer in writing.

PRICE/TAXES: If price is not stated in this PO or a procurement agreement, the price will be Supplier's lowest prevailing market price. Supplier is responsible for and will pay all sales, use, and similar taxes. If Buyer provides a direct pay certificate, certification of an exemption from Tax or reduced rate of Tax imposed by an applicable taxing authority, then Supplier agrees not to invoice nor pay any such Tax unless and until the applicable taxing authority assesses such Tax, at which time Supplier shall invoice and Buyer agrees to pay any such Tax that is legally owned.

TERMS OF PAYMENT: Unless this PO states otherwise, the terms of payment will be net 60 days either after receipt of Supplier's valid invoice or after receipt of the products or services, whichever is later. In the event Supplier has not received payment as agreed, Supplier will notify Buyer and Buyer will make prompt payment. Payment of invoices will not be deemed acceptance of products or services, but rather such products or services will be subject to inspection, test, acceptance or rejection in accordance with the acceptance or completion criteria as specified in the relevant Statement Of Work (SOW) and/or WA. Buyer or Buyer's customer may, at its option, either reject products or services that do not comply with the acceptance or completion criteria for a refund, or require Supplier, upon Buyer's written instruction, to repair or replace such products or re-perform such services without charge and in a timely manner.

TERMINATION: This PO may be terminated by Buyer with or without cause. In the event Buyer terminates without cause, Buyer will compensate Supplier for the actual and reasonable expenses incurred by Supplier for work in process up to and including the date of termination, provided such expenses do not exceed the agreed upon prices.

IMPORTS: If any of the products are imported into any other country, Supplier will be responsible for all legal, regulatory and administrative requirements associated with any importation and the payment of all associated duties, taxes and fees.

PACKAGES/TRANSPORTATION: Supplier will: (i) comply with all country of origin marking instructions and all instructions for exports to Buyer; (ii) comply with all packaging and labeling requirements set out in this PO (default minimum requirements for (i) and (ii) are found in this website <http://www.ibm.com/procurement/proweb.nsf/ContentDocsByTitle/United+States~Instructions+for+exports+to+IBM>); (iii) comply with the transportation routing guidelines in this PO; (iv) not use premium transportation unless specifically authorized by Buyer; (v) not include more than one daily shipment for one destination on one bill of lading; and (vi) not declare a value or purchase additional insurance on all EX Works (...named place) (as defined in the Incoterms 2000) shipments to Buyer.

LATE SHIPMENTS: In this PO and in any contract arising therefrom, time shall be of the essence. If Supplier fails to deliver on time, Buyer may purchase replacements elsewhere and Supplier will be liable for actual and reasonable costs and damages Buyer incurs. Supplier will promptly notify Buyer if it is unable to comply with the delivery date specified in this PO.

WARRANTIES: Supplier warrants that:

(i) it has the right to enter into this PO, and will comply at its own expense: a) with the terms of any contract, obligation, law, regulation or ordinance to which it is or becomes subject (including without limitation, anti-corruption laws and environmental laws); and b) with any law, regulation or ordinance that govern Buyer's distribution of Supplier's products as, or as part of, a Buyer product; (ii) no claim, lien, or action exists or is threatened against Supplier that would interfere with Buyer's rights under this PO; (iii) products and services specified in this PO do not infringe any privacy, publicity, reputation or intellectual property right of a third party; (iv) it has disclosed to Buyer in writing the existence of any third party code, including without limitation open source code, that is included in or is provided in connection with the product(s) and that Supplier and the product(s) are in compliance with all licensing agreements applicable to such third party code; (v) all authors have waived all their rights to the products and services' integrity and to be associated with them as authors or, where applicable, agreed not to assert their moral rights (personal rights associated with authorship of a work under applicable law) in the products, to the extent permitted by law; (vi) products specified in this PO are free from defects in design except based solely upon written designs provided by Buyer unless such designs are based entirely on Supplier's specifications; (vii) a) products and services will conform to the warranties, specifications and requirements in this PO, and b) from the date of shipment, products and services will be free from defect in material and workmanship for the longer of the time period specified in this PO and Supplier's standard warranty term; (viii) products specified in this PO are safe for use consistent with and will comply with the warranties, specifications and requirements of this PO; (ix) it will not engage in electronic self-help; (x) products specified in this PO do not contain harmful code; (xi) products and services which interact in any capacity with monetary data are euro ready such that when used in accordance with their associated documentation they are capable of correctly processing monetary data in the euro denomination and respecting the euro currency formatting conventions (including the euro sign); (xii) none of the products contain nor are any of the products manufactured using ozone depleting substances known as halons, chlorofluorocarbons, hydrochlorofluorocarbons, methyl chloroform and carbon tetrachloride as defined by the Montreal Protocol and as specified by Buyer in writing; (xiii) products are new and do not contain used or reconditioned parts unless Buyer agrees otherwise in writing; (xiv) all products will process date data correctly (including, without limitation, correctly processing, providing, receiving, and displaying date data within and between the twentieth and twenty-first centuries), and are designed to exchange date data accurately and correctly with other products (including, without limitation, hardware, code, other software, and firmware) when used with products which are designed to exchange date data accurately and correctly; (xv) it is knowledgeable with, and is and will remain in full compliance with all applicable export and import laws, regulations, orders, and policies (including, but not limited to, securing all necessary clearance requirements, export and import licenses and exemptions from, and making all proper filings with appropriate governmental bodies and/or disclosures relating to the release or transfer to non U.S. nationals of technology and software in the U.S., or outside the U.S., release or transfer of technology and software having U.S. content or derived from U.S.-origin software or technology); (xvi) it is knowledgeable with applicable supply chain security recommendations issued by applicable governments and industry standards organizations and will make best efforts to comply with such recommendations; and (xvii) it will not export, directly or indirectly, any technology, software or commodities of U.S. origin or having U.S. content provided by Buyer or their direct product to any of the countries or to nationals of those countries, wherever located, listed in U.S. Export Administration Regulations or other applicable regulations, as modified from time to time, unless authorized by appropriate government license or regulations.

DATA PRIVACY: If a party must disclose personal information related to one of its employees or other individual as a result of the products or services being provided under this PO, such personal information shall be handled in accordance with applicable Canadian data protection legislation and only be used for the purposes for which it was made available. The recipient shall also handle the personal information in accordance with the directions provided by the discloser and apply any technical and organizational security measures necessary to protect it against loss, alteration, unauthorized disclosure, access or other unlawful forms of processing.

INTELLECTUAL PROPERTY AND OTHER INDEMNIFICATION: Supplier grants Buyer all rights and licenses necessary for Buyer (including Buyer's parent, subsidiaries, or other related legal entities), to use, transfer, pass-through, and sell the products or services specified in the PO and to exercise the rights granted under this PO. Supplier agrees to defend, hold harmless, and indemnify Buyer from any claim that Supplier's product or service infringes any intellectual property rights or any claim arising from the failure of Supplier to comply with its warranties and obligations under this PO. If a claim of infringement is made, Supplier will, at its own expense, exercise the first of the following remedies that is practicable: (i) obtain for Buyer the rights granted under this PO; (ii) modify the products or services so they are non-infringing and in compliance with this PO; (iii) replace the products or services with non-infringing ones that comply with this PO; or (iv) accept the return of infringing products and the cancellation of infringing services and refund any amount paid. Buyer may return non-conforming goods to Supplier at Supplier's expense. Payment will not constitute an acceptance of the products or services nor impair Buyer's right to inspect the products or services or invoke any of its remedies.

LIMITATION OF LIABILITY: To the extent permitted by local law in no event will Buyer (including Buyer's parent, subsidiaries or other related legal entities) be liable for any lost revenues, lost profits, incidental, indirect, consequential, special or punitive damages.

ASSIGNMENT: Supplier will not assign its rights nor subcontract its duties without IBM's written consent. Any unauthorized assignment is void.

EXCHANGE OF INFORMATION: All exchanges of information between the parties pursuant to this PO will be considered non confidential, unless the parties have entered into a separate written confidentiality agreement.

APPLICABLE LAWS: This agreement is governed by the laws of the Province of Ontario.

GENERAL: Any reproduction of this agreement by reliable means will be considered an original of this agreement. The United Nations Convention on Contracts for the International Sale of Goods does not apply. Unless otherwise provided by local law without the possibility of contractual waiver or limitation, any legal or other action related to a breach of this PO must be commenced no later than two (2) years from the date on which the cause of action arose. *In the Province of Québec, the parties have agreed to draft this PO in English; les parties ont consenti à rédiger ce bon de commande en langue anglaise.*