



Suppliers Terms and Conditions

1. Parties

In this document the term 'Purchaser' shall denote McGill Hose & Coupling Inc. (MHC) and the term 'Supplier' shall mean a business, their sub tier suppliers, or an organization or individual offering material to the 'Purchaser'. The Terms set forth in this document will denote the 'Agreement', applying to Purchase Orders and any other applicable attachments or appendices. 'Goods' shall denote the material, equipment, products or services that will be rendered by the Supplier.

2. Acceptance

The Terms and Conditions provided within this document shall govern the execution and delivery of Goods from the Supplier. The delivery, order acknowledgement or initialization of shipment will be deemed as acceptance of these terms and conditions set forth. Any acceptance of this agreement is limited to acceptance of the expressed terms contained herein, and any terms specifically incorporated by reference from the Purchaser. In the event of a conflict or inconsistency, such conflict shall be resolved in favor of these Terms and Conditions

3. Payment and Pricing

Payment of invoices will be calculated from the date invoices related to this Order are received at Purchasers main office, or from the date of receipt of acceptable goods by Purchaser, whichever may be latest. The agreement price shall be firm unless otherwise agreed to in writing by the Purchaser. Pricing on the invoice will include all direct, indirect and incidental charges, including but not limited to packaging and boxing. No changes to prices will be allowed unless specifically authorized by the Purchaser in writing. If Supplier offers a lower price to any third (3rd) party for similar volume, Supplier agrees to offer such price or pricing formula to Purchaser retroactively as of the date first offered to the third (3rd) party. Prices will remain firm throughout the length of the order.

4. Sales Tax

Supplier is liable for all taxes on all Goods furnished by Supplier including, but not limited to, sales, use and excise taxes not agreed to in the purchase order. The Purchaser is liable for all sales and use taxes related only to Purchaser requested goods, if any.

5. Shipping

Supplier shall prepare and pack all Goods in accordance with good commercial practice to ensure safe delivery without damage or loss. Supplier shall mark the outside of each shipped container to show Purchaser's Purchase Order number, if possible. Supplier will also include a packing list that includes the part number(s) and quantities shipped. Unless otherwise agreed to in writing, title and risk of loss shall be Supplier's and shall transfer to Purchaser upon acceptance of Goods at destination.

6. Delivery

Delivery shall be F.O.B destination unless otherwise agreed to in writing. If delivery of Goods is not completed by time specified, Purchaser has the right to terminate part of or all the agreement. In the case that there is a legitimate cause for delay, the Purchaser will be notified by the Supplier and will include all relevant information about the delay. Time is of the essence with this Order.

7. Termination for Cause

Purchaser may terminate the Agreement or any part of it due to a breach of agreement or default by the Supplier. Causes for termination may include, but are not limited to, the failure to meet delivery dates, schedules or deadlines not being met, the delivery of defective or non-conforming Goods, insolvency or bankruptcy. In the event of termination for cause, Purchaser shall not be liable to Supplier for any amount and Supplier shall be liable to Purchaser for all damages sustained by reason of the termination.

8. Termination for Convenience

Purchaser may terminate the Agreement or any part of it for its convenience by notifying Supplier of termination. Upon notice of termination, Supplier shall stop all work about the termination and cause all its sub-suppliers to stop all such work. Supplier shall be reimbursed for all reasonably incurred actual direct costs that have resulted from the termination.

9. Order Changes

Purchaser may at any time, by written order, makes changes within the general scope of this Order. This may include things such as drawings, designs and specifications, methods of shipment or packing, place of delivery, and the amount of goods ordered. UNLESS OTHERWISE AGREED TO IN WRITING THE SUPPLIER SHALL MAKE NO SUBSTITUTIONS FOR THE MATERIAL SPECIFIED.

10. Inspections, acceptance and returns

Purchaser has the right to inspect and test Goods received from the Supplier. Purchaser has the right to reject any non-conforming Goods and has no obligation to accept rejected goods. It is the Supplier's responsibility to arrange for the correction of Goods and Purchaser has no obligation to compensate the Supplier until the Goods are accepted by Purchaser as corrected. Nothing in the agreement shall relieve the Supplier from the responsibility of testing, inspection and quality control of the Goods.

11. Warranties

Supplier warrants that all Goods produced shall conform to all Purchaser's specifications and comply with all applicable laws and regulations. All Goods shall be new and free from any defects in materials or designs and no counterfeit materials will be supplied or used at any point during the order process. Further, if Supplier knows or has reason to know the particular purpose for which the Purchaser intends to use the Goods, Supplier warrants that such Goods will be fit for said purpose. Unless otherwise agreed to in writing, the warranty period shall be one (1) year from the date of receipt and acceptance by the Purchaser. If there is a defect or a nonconformance of Goods discovered during the warranty period, Purchaser may, at their sole discretion, return the material to Supplier at the Supplier's expense or expect a full refund of the price; or require the Supplier to repair or replace the defective product promptly, with the Supplier paying all costs to replace said part or Good. Goods that are returned to Purchaser under this warranty after repair or replacement is subject to the same inspection, acceptance and warranty provisions as Goods originally delivered. Supplier will transfer to Purchaser any warranties that the manufacturer or distributor shall make, provided that in the event of a conflict, the warranty providing the most protection to Purchaser shall prevail.

12. Limitations

The Purchaser shall not be liable for anticipated profits or for incidental or consequential damages or for any penalties. Any actions against Purchaser must be commenced within one (1) year after the event from which the cause of the action arose. Purchaser's liability to Supplier shall not exceed the Agreement Price.

13. Force Majeure

This order is subject to termination, delay of acceptance or delivery by the Purchaser due to any event beyond the Purchaser's reasonable control. These may include, but are not limited to, fire, accidents, strikes, government acts or other conditions. This order is subject to any delay or termination upon notification of the Supplier from the Purchaser, without penalty to the Purchaser.

14. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of Massachusetts, without regard to its conflict of law principles. Any legal action or proceeding arising under this Agreement shall be brought exclusively in the federal or state courts located in Massachusetts, and the parties hereby consent to the personal jurisdiction and venue of such courts.

15. Indemnification

Supplier agrees to defend, indemnify, release, save and hold Purchaser, its employees, consultants, officers and directors harmless against all liabilities, claims, suits, proceedings, damages, penalties, forfeitures, expenses and losses including but not limited to attorney's fees, costs of investigation and defense, court costs and settlements arising out of or resulting from Goods purchased. Indemnification shall include, without limitation, claims for property damage, personal injury, or death; patent, copyright, trademark, and similarity in design or appearance; and from any act, omission or negligence of Supplier, its agents, employees, or subcontractors. This shall apply without regard to whether Purchaser is claimed to be negligent or a participant in the cause of the problems or otherwise liable for damage, expense, or losses and whether materials, equipment or property are or were owned by Purchaser except for the sole negligence of Purchaser. This provision shall be in addition to any insurance coverage that directly or indirectly protects Purchase and shall be in addition to the warranty obligations of Supplier. Purchaser may be represented by and actively participate through its own counsel in any such suits or proceedings.

16. Confidentiality

Supplier shall consider all information furnished by Purchaser to be confidential including related information prepared by third parties. Supplier shall not disclose such information to others or use the information for any other purpose than for this agreement.