



**ONE TEAM
ONE JOURNEY**

26 Clauses

KENT HOMES GENERAL TERMS AND CONDITIONS FOR THE SUPPLY OF GOODS AND/OR SERVICES

1. Upon the earlier signing of an acknowledgement of the purchase order or, the commencement of performance in relation to the supply of the goods, equipment, materials, or services (such goods, equipment or materials hereinafter collectively referred to as the "Goods", or of the services "Services"), a contract shall have been constituted for the provision of the Goods and/or Services described in the purchase order hereof between the supplier named in the purchase order (the "Supplier") and the Kent Homes corporation issuing the purchase order ("Kent Homes"). Such contract shall consist of these General Terms and Conditions, the Purchase Order, and such documents referred to on the Purchase Order but specifically excludes any terms and conditions of the Supplier which may be communicated by the Supplier to Kent Homes at any time unless specifically accepted by Kent Homes in writing.
2. The contract is to be governed, both with respect to its construction and performance, by the laws of the Province of New Brunswick, Canada and the parties agree to submit to the exclusive jurisdiction of the courts of such Province. The parties expressly exclude the application of the United Nations Convention on Contracts for the International Sale of Goods and further exclude the application of the International Sale of Goods Contracts Convention Act (Canada) and the International Sale of Goods Act (New Brunswick).
3. No modification of, nor additions to the provisions, terms and conditions of the contract shall be effective until expressly accepted in writing by Kent Homes.
4. If installation of the Goods is called for in the contract, the performance of such installation services shall be subject to **Kent Homes' General Terms and Conditions for Construction Services** as well as these General Terms and Conditions.
5. The Supplier acknowledges that it understands that time is of the essence in the performance of its obligations under this contract.
6. The Supplier will supply to Kent Homes all documentation as required under the contract.
7. Payment terms will be as outlined in the Purchase Order. Invoices will be rendered to Kent Homes in duplicate as stipulated in the Purchase Order.
Any acknowledgement of receipt or payments made pursuant to the contract by Kent Homes shall not be construed as a waiver of any breach hereof by the Contractor or as an acceptance of defective Goods and/or Services not in conformance with the terms and conditions of the contract.



8. The Supplier guarantees and warrants that the Goods and/or Services provided to Kent Homes pursuant to the contract shall conform to the description, standards, quality and performance levels outlined in the contract (the "Specification"), or such modifications thereof as the parties may agree from time to time in writing, and that the Goods and/or Services are fit for the intended purpose of Kent Homes.

9. Title to the Goods and risk of loss shall pass to Kent Homes upon acceptance thereof by Kent Homes. Acceptance of the Goods by Kent Homes shall be:

- (1) with respect to materials supplied to be used as process material, such time as Kent Homes has had an opportunity to inspect the materials but in no event more than sixty (60) days following delivery to the Premises;
- (2) with respect to equipment, once the equipment has been properly installed and is functioning according to the terms and conditions of the contract; and
- (3) with respect to other goods, ninety days following delivery to Kent Homes.

10. The Supplier warrants the title to all the Goods supplied under the contract to be free and clear from all liens, claims, encumbrances and any other charges whatsoever, and the Supplier shall indemnify and hold harmless Kent Homes from any and all claims, demands or actions relating to such liens, claims, encumbrances or other charges.

11. Unless stated otherwise in the purchase order, all applicable taxes, duties, packaging, shipping and freight charges are included in the purchase price and are for the account of the Supplier, save and except the Goods and Services Tax and the Province of New Brunswick Sales tax, or such other consumption taxes as may be applicable during the term of the contract.

12. The Supplier shall indemnify and hold harmless and defend Kent Homes in respect to any and all claims that the Goods and/or Services infringe any intellectual right including patents, copyright, trademark, trade secrets or industrial designs and provided Kent Homes gives the Supplier prompt notice in writing of any suit or action brought against Kent Homes on any claim of infringement and gives the Supplier necessary information, assistance and authority to defend at the Supplier's expense any and all suits and to satisfy any judgment rendered in relation thereto. The Supplier will modify or replace the infringing Goods and Services with non-infringing Goods of equivalent quality at no cost to Kent Homes.

13. Supplier warrants that all Goods to be shipped hereunder will be properly classified, described, packaged, marked and labelled, and will be in the proper condition for transportation in accordance with all applicable laws or regulations, and Supplier will indemnify and hold harmless Kent Homes from any claims, penalties, losses and damages incurred by Kent Homes as the result of any Goods received from Supplier not in accordance therewith. A detailed packing slip showing Kent Homes' order number, the Supplier's firm name and the shipper's name shall be included in or attached to each package. Kent Homes' order number shall be shown on the outside of each package on carload shipments. A copy of the loading sheet shall be mailed directly to Kent Homes at the address shown the face of this order, on the date of the shipment. Failure to comply with this clause will, at Kent Homes' option, constitute grounds to reject the shipment. If routing instructions are not followed, Supplier may be held liable for any additional transportation costs incurred.



14. When shipments of Goods are made from other than a Canadian location, such shipments shall be made in accordance with Kent Homes' customs instructions and Canadian Customs regulations. Invoices shall show order number, shipper, origin and destination. Failure to comply with this clause may result, at Kent Homes' option, in the return of Supplier's invoice and/or rejection of the shipment.

15. All materials incorporated into the Goods shall be new and shall be to a high industrial standard. Supplier shall repair or remove and replace at its own expense and at Kent Homes' convenience, all workmanship or materials which shall be defective at any time within one year from the date of acceptance of the Goods by Kent Homes.

16. If the contract calls for the provision of Services where the General Terms and Conditions for Construction Services are not applicable, and where the Supplier is required to be on the premises of Kent Homes to supply such Services, the Supplier shall indemnify, hold harmless, and defend Kent Homes, its agents and employees from and against any and all suits, legal proceedings, claims, demands, damages, liabilities, losses, costs and expenses including reasonable legal fees, arising out of or attributable to the performance of the contract with Kent Homes, or any negligent act or omission of the Supplier, its agent, employees or subcontractors in the performance of the Services pursuant to the contract.

17. If Clause 16 hereof is applicable, the Supplier shall carry and maintain during the entire period of performance of the contract such insurance as will protect the Supplier and Kent Homes from claims under Worker's Compensation legislation, or from any of the matters for which the Supplier shall indemnify, hold harmless and defend Kent Homes as outlined in Clause 16 hereof. Supplier shall, if requested by Kent Homes, furnish to Kent Homes evidence that the Supplier has in effect the following insurance:

(a) Automobile insurance to cover licensed vehicles at the job site, such insurance to carry a limit of not less than \$3,000,000 inclusive of property damage and bodily injury;

(b) Comprehensive General Liability covering the Supplier's liability in respect of bodily injury, property damage or both combined for each accident or occurrence with a limit of liability not less than \$3,000,000. The insurance shall include Kent Homes as full named insured with a cross liability clause and insure against liabilities arising out of or in any way connected with the Services. The coverage is to include all extensions. Such insurance shall state that it is primary insurance and that any other insurance carried by Kent Homes shall be specific excess and not contributing therewith. Such insurance shall contain a waiver of subrogation against Kent Homes and related and/or associated companies of Kent Homes; and

(c) All such insurance obtained by the Supplier shall include the requirement that Kent Homes be provided with thirty (30) days advance notice of any cancellation, termination or reduction in the scope of coverage provided or as stipulated herein.

18. The Supplier shall not be responsible for any consequential or incidental damages unless specifically agreed to in writing between the parties.



19. Any failure by Kent Homes at any time, or from time to time, to enforce or require the strict keeping and performance by Supplier of any of the terms or conditions of this contract, shall not constitute a waiver by Kent Homes or a breach of any such terms or conditions, and shall not affect or impair such terms or conditions in any way, or the right of Kent Homes at any time to avail itself of such remedies as it may have for any such breach or breaches of such terms or conditions.

20. Any delay caused to either Supplier or Kent Homes by reason of Acts of God, force majeure, or other causes beyond their control, including but not limited to strikes, lockouts and labour unrest, shall not be regarded as a default in performance by Supplier or by Kent Homes. Notice of any anticipated delay will be given by the delayed party to the other as soon as possible under the circumstances. Performance under the contract shall resume as soon as practicable. In such circumstance, Kent Homes shall have the right to adjust the contracted quantity of the Goods and/or Services, or adjust delivery schedules.

21. Any notice required or permitted to be given under this Agreement shall be delivered to the address of the parties shown on the Purchase Order, such notice may be forwarded by facsimile with a confirming copy mailed by prepaid mail, or by courier. In which event notice shall be deemed to be received one day following the sending of the facsimile message and the mailing of the confirming copy. In the case of Kent Homes, copies of the notice shall be delivered to the following addresses:

Kent Homes,
28 Chemin du Couvent
Bouctouche, N. B.
E4S 3B9

Attention: Purchasing Manager

22. The Supplier shall not assign the contract or any portion thereof without the written consent of Kent Homes.

23. Kent Homes may terminate the contract immediately and/or suspend the contract without prejudice to any other right Kent Homes may have upon either of the following occurrences:

- (a) the Supplier makes assignment or is petitioned into bankruptcy, or if a receiver is appointed to administer the affairs of the Supplier; or
- (b) if the Supplier breaches any of the terms or conditions of the contract and refuses or is unable to rectify any such breach to Kent Homes' satisfaction within ten (10) days following receipt of notice of such breach.

24. Kent Homes may without penalty terminate the contract or suspend the contract for a reasonable period of time without cause subject to the payment to the Supplier of reasonable direct cost incurred by the Supplier as a result thereof, but in no event will Kent Homes be responsible for payment of any indirect, incidental or consequential damages, or the loss of profits as a result thereof.

25. The Supplier shall, whenever feasible, use the services and/or goods of Kent Homes related companies, provided such company is cost competitive. i.e – Midland for transportation services, Lexitech for translation services, etc...



26. Should there be any conflict of terms between the written documents of the contract, the following shall be the order of priority: the Purchaser Order; signed Contract by both parties, these General Terms and Conditions, and the General Terms and Conditions of Construction Services if applicable.



Kent Homes General Terms and Conditions Supplier Sign Off:

Kent Homes General Terms and Conditions must be acknowledged by ALL companies looking to be prequalified as a Supplier for Kent Homes. It is understood that there may be addendums to these General Terms and Conditions on a Project by Project Basis and all forthcoming purchase orders will be subject to these General Terms and Conditions.

Kent Homes General Terms and Conditions are attached as a separate document.

The signature acknowledges acceptance of all Terms and Conditions noted therein.

OFFICER OF COMPANY:

Signature: _____

Name:

Title:

Date: