



## Purchase Order Terms and Conditions

The Purchase Order Terms and Conditions together with its purchase order(s) (the "Order(s)"), user manuals, instructions, training materials, system manuals, specifications and all other Seller materials that describe the Products or Services (collectively, "PO") is between the Affiliate purchasing Products or Services as identified on an Order ("Thomson") and the supplier of Products or Services ("Seller").

**1. Definitions.** "Affiliate" means any business entity that, from time to time, directly or indirectly controls, is controlled by, or is under common control with The Thomson Corporation or that is a successor (whether by change of name, dissolution, merger, consolidation, reorganization, sale, or other disposition) to any such business entity or its business and assets. "Products" means the equipment, materials, and other goods obtained by Thomson from Seller, as identified in an Order. "Services" means the services incidental to Products that are provided by Seller including, without limitation, training, installation, configuration, and maintenance and support, as identified in an Order.

**2. Orders.** Thomson may procure Products and Services from Seller by issuing an Order to Seller, and Seller shall provide such Products and Services as set forth in the Order. Time is of the essence in the performance of this PO. Seller shall be deemed to have indicated acceptance of an Order and this PO by commencement of performance hereunder. No changes by Seller to an Order, including adjustment of the price, quantity, or the delivery or installation dates, or any other term, will be effective unless authorized by Thomson in writing. Seller may not make Product substitutions or overshipments without Thomson's prior written authorization. Thomson may from time to time request reasonable changes in the scope of the Order, including but not limited to, Thomson's requirements, quantities, delivery schedules, testing protocol or destination. Seller shall implement such changes unless materially burdensome to Seller; the applicable Order will be amended to accommodate such changes.

**3. Delivery of Products.** Unless otherwise requested or authorized by Thomson on or before the delivery date, Seller shall fill the Order in one lot. Seller shall include in its shipment all user manuals, manufacturer warranties, or other materials, if such materials exist, that the Product manufacturer intended to remain with the Products. Seller must identify all shipments, shipping papers, invoices, and correspondence with the Order number and an itemized Product and Services list. Shipping terms are D.D.P. Destination, unless otherwise specified on an Order (INCOTERMS 2000). If applicable, Seller will add only actual freight costs to its invoice to Thomson.

**4. Returns.** Thomson may return Products to Seller within six months of Thomson's Product receipt and receive a full refund, except that the Products must be in their original packing and in condition for resale as new; Products that are custom or obsolete are not returnable except in the case of a defective Product. For all permitted returns, Thomson shall notify Seller of its intent to return Products and within 24 hours of Thomson's notification, Seller will assign and provide to Thomson, a Return Materials Authorization ("RMA") number. If the return is due to Thomson's error, the shipping terms for the returned Products are D.D.U. Destination (INCOTERMS 2000). The shipping terms for all other Product returns are E.X.W. Origination (INCOTERMS 2000).

**5. Compliance with Thomson Procedures; Insurance.** If the Services are performed at a Thomson location, Seller personnel will observe and comply with Thomson's security procedures, rules, regulations, and policies (as updated from time to time) and Seller will use its best efforts to minimize any disruption to Thomson's normal business operations at all times. Seller shall maintain, at its sole cost and expense, insurance sufficient to cover all damages, liabilities and obligations arising from or related to the PO.

**6. Material Safety Data Sheets or Equivalent Information.** For all potentially hazardous Products or Services, the Seller shall submit information, including Material Safety Data Sheets where they exist, to Thomson's Risk Management department, which shall at a minimum provide the information necessary to comply with the environmental, health and safety laws applicable in the jurisdiction for which the Product or Service is intended, including without limitation OSHA's HazCom Regulations (29 CFR 1910.1200) and Canada's Workplace Hazardous Materials Information System, in each case as supplemented, replaced or amended from time to time.

**7. Pricing.** Prices shall be as specified in the related Order. Seller shall promptly inform Thomson of all quantity and other discounts, price reductions, and promotions available from Seller for which Thomson is or may become eligible. Unless otherwise specifically permitted in this PO, there is no additional charge to Thomson for Seller to perform its obligations or for Thomson to exercise its rights under this PO.

**8. Invoicing; Payment; Taxes.** Seller will invoice Thomson following its shipment of the Products. Thomson's payment terms on undisputed invoices are 50 days from the date of invoice. Notwithstanding the foregoing, all claims for money due or to become due to Seller from Thomson shall be subject to deduction by Thomson for any setoff or counterclaim arising out of the PO. Thomson is entitled to make payments to Seller via any Thomson-designated procurement card, company check, or Electronic Funds Transfer ("EFT"). Seller will bill in arrears for Services that are provided on a time-and-materials or other non-fixed fee basis. Prices do not include any sales, use, excise, transaction, or other similar taxes. If such taxes are applicable, Seller will separately state them on the invoice. However, if Thomson provides Seller with a direct pay permit number, then Thomson will pay the applicable taxes. Thomson has no obligation to pay any taxes or fees that are based on Seller's net income.

**9. Warranties.** Seller represents and warrants to Thomson that: (a) it is an entity validly existing under applicable laws; (b) it has all necessary right, title, license and authority to enter into the PO and to perform all its obligations hereunder; (c) Seller's performance of all its obligations hereunder does not violate any applicable law, statute, regulation or ordinance; (d) no third party intellectual property rights are violated by Seller performance of its obligations or by Thomson's use of the Products and Services; (e) the Products and Services are free of all liens and encumbrances and there are no actual or threatened claims pending that could have a material adverse effect on Seller's ability to perform its obligations hereunder or on Thomson's enjoyment of the rights granted hereunder; (f) it has appropriate agreements with its employees and contractors to perform its obligations under the PO; (g) the Products and Services are free of material defects and will operate to Thomson's satisfaction in accordance with the PO; (h) the Products and Services are suitable for the intended purpose, if the purpose is made known to Seller and Thomson relies on Seller's judgment and selection; (i) the Product is new and not used, remanufactured, or reconditioned; and (j) it will perform the Services in a professional and workmanlike manner, consistent with the highest industry standards. In the event that such Product or Service fails to satisfy this warranty, Seller at its own expense, will promptly repair or replace the Product with new conforming product or reperform the Services, as applicable; provided however, that Thomson may elect to receive a refund of all fees and expenses paid in lieu of such repair, replacement or reperformance.

**10. Indemnification.** Seller, at its own expense, shall defend, indemnify, and hold Thomson harmless from all claims, actions, demands, liabilities, losses, damages, judgments, settlements,

costs and expenses (including reasonable attorneys' fees) (collectively, "Losses") insofar as such Losses (or actions in respect thereof) are related to a breach by Seller of any representation, warranty, covenant or agreement made by it hereunder or any injury or damage caused by Seller or the Products to persons or property during the performance of its obligations hereunder.

**11. Confidential Information; Rights Assignment.** All goods (including but not limited to materials, systems, software, hardware, tooling and equipment) and information acquired directly or indirectly (including but not limited to oral, written, visual, graphical, and electronic information), by Seller from Thomson, or analyses, compilations, studies or other documents prepared by Seller or its representatives which contain or otherwise reflect such information provided by Thomson, shall be held in confidence and shall remain the exclusive property of Thomson, and shall be used and disclosed by Seller only to the extent necessary for its performance of this PO. The parties intend that (a) Seller shall perform all Services hereunder as a contractor, (b) that any work product arising from such Services shall be deemed to be a "work made for hire" pursuant to 17 U.S.C., Section 201(b) (the Copyright Act), and (c) that such work product be deemed to be a specially commissioned work. Whether the work product is considered to be a "work made for hire," the result of an employment to invent, or otherwise, all work product, including all copyright, patent rights and other intellectual property rights to everything therein, is the sole property of Thomson. Seller hereby assigns to Thomson and its successors and assigns, without further consideration, the entire worldwide right, title, and interest to all work product related to the Services.

**12. No Publicity.** Seller shall not disclose, use, or refer to this PO, or the name, trade names, trademarks or service marks of Thomson, in any advertising, publicity release, customer list, promotional or other published material without the prior written consent of Thomson, which consent may be withheld at Thomson's sole discretion.

**13. Independent Contractor.** Seller is a nonexclusive independent contractor to Thomson. The employees or agents of Seller are not employees of Thomson and are not eligible to participate in any benefits or privileges given or extended by Thomson, or by operation of law, to Thomson employees. Seller has no authority to assume or create any obligation, express or implied, on behalf of Thomson.

**14. Termination.** Thomson may terminate the performance of work under this PO in whole or in part at any time and for any reason, by written notice to Seller. Upon receipt of such notice, Seller will, unless otherwise directed, immediately discontinue all work and the placing of all Orders for materials, facilities and supplies in connection with the performance of this PO and will promptly cancel all existing Orders and terminate all subcontracts in so far as such Orders or subcontracts are chargeable to this PO. Thomson shall have no liability to Seller beyond payment of any balance owing for material purchased hereunder and delivered to and accepted by Thomson prior to Seller's receipt of the notice of termination and for work in process required for delivery to Thomson. Notwithstanding any other provision of this PO, the parties agree that those obligations which by their nature are intended to survive expiration or termination will survive.

**15. Assignment.** Seller shall not subcontract, assign or otherwise transfer any rights or obligations under this PO without the prior written consent of Thomson, which will not be unreasonably withheld or delayed. Any such assignment made without prior written consent of Thomson is void. For permitted subcontracts, assignments, or other transfer of the rights or obligations by Seller, Seller remains jointly and severally liable for the actions or omissions of the assignee. This PO is binding upon the parties' respective successors and permitted assigns.

**16. Compliance with Laws.** The parties shall comply with all laws and regulations of a country, while in that country, as the laws and regulations may change from time to time.

**17. Non-Waiver.** No course of dealing, course of performance, or failure of either party to enforce strictly any PO provision is to be construed as a waiver of a provision.

**18. Special U.S. Government Provisions.** Where applicable, pursuant to the Federal Acquisition Regulation (FAR) 44.402 (Oct 1995) (which governs contracting for commercial items), the FAR provisions listed below apply to a Services Order at the dollar thresholds indicated, if the Product Order is identified as a subcontract under a U.S. Government Prime Contract. All Orders: 52.222-26 Equal Opportunity; Orders over \$10,000: 52.222-35 Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era, 52.222-36 Affirmative Action for Workers with Disabilities; Product and Services Orders over \$500,000: 52.219-8 Utilization of Small Business Concerns, 52.219-9 Small Business Subcontracting Plan. Unless exempted, Section 202, paragraphs 1-7 of Executive order 11246 as amended, and the affirmative action clauses as set forth in 41 C.F.R. 60-741.4 (for contracts over \$2500), 41 C.F.R. 60-250.4 (for contracts over \$10,000) and 41 C.F.R. 61-250.10 (requiring the annual reporting of Vietnam era and special disabled veterans) are incorporated herein by reference.

**19. Remedies; Attorney Fees and Costs.** Thomson's rights and remedies in this PO are cumulative and additional to any other rights and remedies provided in law or equity. In any action brought under this PO, Thomson is entitled to receive all costs and reasonable attorney's fees.

**20. Governing Law.** If the purchaser is a United States company, the laws of the State of New York (without regard to conflicts of laws) govern all matters arising out of or relating to this PO; the jurisdictional venue is New York City, New York. If the purchaser is a Canadian company, the laws of the Province of Ontario (without regard to conflicts of laws), and the laws of Canada applicable therein, govern all matters arising out of or related to this PO; the jurisdictional venue is in Toronto in the Province of Ontario.

**21. Language.** At the request of the parties, the official language of this Agreement and all communications and documents relating hereto is the English language and the English-language version shall govern all interpretation of the Agreement. À la demande des parties, la langue officielle de la présente convention ainsi que toutes communications et tous documents s'y rapportant est la langue anglaise, et la version anglaise est celle qui régit toute interprétation de la présente convention.

**22. Severability.** If any PO provision is held invalid or unenforceable, such provision will be deemed deleted from this PO and replaced by a valid and enforceable provision which so far as possible achieves the parties' intent in agreeing to the original provision. This PO's remaining provisions will stay in effect.

**23. Supremacy.** Any preprinted terms and conditions on a quotation, acknowledgement, invoice, or similar document which conflict with the terms of this PO are deemed superseded by this PO. Licensing terms, which may accompany Products, will supplement the terms of this PO where the terms do not conflict. If Seller and Thomson have a signed agreement for Products and Services, such agreement supersedes the PO.

**24. Entire Agreement.** Except as otherwise allowed in Section 23, this PO constitutes the entire agreement between the parties and supersedes all previous agreements, written or oral, between the parties with respect to the PO subject matter and cannot be modified except in a writing signed by the parties.