



## Purchase Order Standard Terms and Conditions

1. **Scope and procedure** • The following terms and conditions govern this Purchase Order (the ' P.O.'), under which Vendor agrees to sell and deliver such material equipment machinery and/or other goods which is/are the subject(s) of this P.O ('Goods') to, and/or to provide and/or perform such services which are the subject of this P.O ("Services") (Goods and Services, collectively ' Deliverables') for HydRx Farms Ltd (hereinafter 'HydRx')
2. That Vendor shall be bound by its P.O. upon the earlier of its acknowledgment hereof or the delivery of Goods or commencement of services.
3. **Delivery Time** - Time is of the essence under this P.O. Vendor shall ensure that Deliverables are provided no later than the delivery date and to the delivery point specified herein. No deliveries will be accepted after 4 pm Monday through Thursday or 12 noon Fridays
4. **Taxes** - Any prices stated on the face hereof shall be exclusive of the Goods and Services/Harmonized Tax ('GS T/HST') or any other provincial sales or similar taxes ('PST'), GST/HST, PST, if applicable, and customs duties and other like charges shall be shown as separate returns on Vendor's invoice, and the invoice shall bear Vendor's GST/HST registration number and PST registration number, if applicable. Vendor is exclusively liable for, and shall pay before delinquency, all taxes, assessments, alienate claims, charges or other impositions imposed or levied on Vendor or HydRx in respect of Deliverables furnished hereunder and Vendor shall indemnify HydRx against all liability or expense incurred due to Vendors failure to do so
5. **Invoices and Payments** • Each invoice shall contain a description on the Deliverables provided and/or performed and a breakdown of all applicable fees costs and expenses Payment may be made by cheque. electronic funds transfer, or as selected by HydRx on the 15th or 30th day of the month following receipt of a valid invoice for such Deliverables providing the Deliverables have been satisfactorily received. All invoices shall record the number of this P. O.
6. **Packing, Shipping, Risk of Loss and Title to Goods** • Goods must be shipped in accordance with HydRx's instructions as well as all laws, corporate and industry standards respecting the safe and proper handling, packing, transportation, cartage, delivery, use or mode of employment of such Goods and in the event of any conflict amongst any of them, the most stringent provisions shall apply. Title to and risk of loss to Goods shall only pass to HydRx at the location for delivery specified by HydRx and upon inspection and acceptance of Goods within a reasonable time after receipt. Acceptance of title to and risk of loss by HydRx shall not prejudice any rights HydRx has hereunder or" law in respect of defective Goods regardless of any receipt executed by HydRx. Vendor must provide Goods from one lot number. Vendor must provide, together with the shipment, a packing slip and where applicable (i) a completed batch record packaging order; (ii) Certificate of Analysis (iii) Certificate of Compliance and (iv) Material Safety Data Sheets. Vendor must record HydRx's P.O number and part number if applicable on any and all packing slips and label each container, showing the name of the Vendor, name of the manufacturer (if different than Vendor) HydRx's P.O./part number(s), description, units/container or weight gross-tare-net. All delivery documentation relating to this P.O. shall indicate whether such delivery of Goods or Services is complete or partial. Vendor must confirm manufacturer to HydRx, in writing, where Vendor is shipping any Product directly from a subcontractor to HydRx.
7. **Non-Conforming Deliverables** – HydRx may reject any deliverables within a reasonable time following delivery or performance, as the case may be, if such Deliverables do not conform with this P.O., the specifications communicated by HydRx to Vendor or prevailing industry standards. Vendor shall promptly cure and return such Deliverables to HydRx at the cost to Vendor.
8. **Relationship HydRx**• Vendor undertakes to provide Deliverables as an independent contractor and not as a partner or joint venture of HydRx The Vendor shall not assign any P.O or subcontract completion of all or any part of the Vendor's obligations under a PO to a third party without the prior written consent of HydRx. In the event of the direct or indirect change of control of the Vendor or the acquisition of all or substantially all of the assets of the Vendor by a third party, HydRx may cancel an Agreement.
9. **Termination** • HydRx shall have the right to terminate this P.O. or cancel all or any part of the Deliverables by giving Vendor five (5) days prior notice of its intent to so terminate or cancel. HydRx shall have the right to terminate or cancel this P.O. immediately upon notice to Vendor at any time prior to acceptance by Vendor, or in the event that (i) Vendor



becomes bankrupt or insolvent, (ii) Vendor violates any of the terms of or fails to perform any of their obligations under this P O , (iii) any of the Vendor's representations and warranties contained herein are inaccurate or untrue, or (iv) Vendor otherwise fails in HydRx's sole view, to satisfactorily provide Deliverables if the performance of any of the obligations under this P.O is prevented, restricted or interfered with by reason of any cause beyond the reasonable control of the affected Party the affected Party shall, upon immediate notice to the other Party, be excused from such performance to the extent of such prevention, restriction or interference , provided that the Party so affected shall use its best efforts to resume performance hereunder with the utmost dispatch whenever such causes are removed. If such performance cannot be resumed within five (5) days after the date of notice by the affected Party, then HydRx shall have the right to provide notice to Vendor that it is terminating this P.O. immediately. Upon notice by HydRx of its intention to terminate this P.O., Vendor shall assemble and turn over forthwith and in an orderly fashion to an authorized representative of HydRx all Confidential Information (as detailed herein) and Deliverables completed at the time of such termination.

**10. Change**• HydRx may change this PO at any time prior to acceptance by Vendor upon written notice to Vendor. After acceptance by Vendor, HydRx may, by change request in writing vary the Deliverables to be provided. If any such variation causes an increase or decrease in the cost of the Deliverables the Parties shall negotiate in good faith an equitable adjustment to the price. Vendor shall not implement such variation and HydRx shall not be liable for any variation to the scope of Deliverables or the price thereof unless the Parties have agreed to the change notice in writing.

**11. Publications and Presentations.** Without HydRx's written prior approval, Vendor shall not (1) make any presentation, public announcement, or publication of any kind relating to any and all matters arising out of or in connection with this P.O, including this P.O. itself, or (ii) use in any matter whatsoever any trademarks, logos, service marks, trade names, corporate names, proprietary logos, indicia or other business identifiers of any sort of HydRx.

**12. Representations and Warranties-** Vendor represents and warrants to HydRx that (a) all Goods supplied hereunder are free of any liens, encumbrances or claims and that Vendor has full right and authority to sell such Goods (b) all Goods supplied hereunder are free from defects in material and workmanship and will be replaced by Vendor at its own costs for a period of six (6) months following delivery of the last Goods to be supplied hereunder and are of merchantable quality, conform to the HydRx specifications and are suitable for HydRx's intended uses and purposes (c) all Services performed hereunder will be performed in a professional and workmanlike manner in accordance with applicable industry standards (d) no Deliverables shall infringe on any Intellectual Property Rights of any person, and (e) Vendor shall assign to HydRx all assignable warranties including without limitation, subsisting warranties relating to Goods, including warranties of dealers, manufacturers, vendors, installers, subcontractors, etc. If any such warranties are not assignable. Vendor shall take such action at its own expense as HydRx may reasonably request to enforce any warranties.

**13. Limitation of Liability -** HydRx' s liability to Vendor for negligence, breach of this P.O. or any other claim in damages and losses shall not exceed the total amount owed to Vendor by HydRx under this P.O at the time of the breach. In no event shall HydRx be responsible for any indirect, special, consequential or incidental damages or losses including but not limited to lost profit, lost business revenue, lost opportunity or third-party damages.

**14. Confidentiality -** Vendor will keep secret and confidential and not disclose to third parties any information disclosed to Vendor by HydRx, any information that a confidential nature disclosed by a third party to Vendor in its capacity as a Vendor to HydRx (which, in addition to the confidentiality requirements hereunder will be kept confidential by Vendor in accordance with the terms of their disclosure by such third party) and any information developed by Vendor in the course of providing Goods or Services under this P.O. Vendor hereby acknowledges and agrees that information and material that may have, and may continue to come into contact with in any form whatsoever, including, without limitation oral, written, graphic, photographic, recorded or digital includes, without limitation information and material relating to the Deliverables and HydRx's business processes and methods of doing business (the ' Confidential Information') and that this Confidential information is being made available by HydRx to Vendor solely for the purposes of providing Deliverables and for no other purpose. Where Confidential Information received by Vendor is not labeled confidential, Vendor agrees to treat it as such. Vendor hereby acknowledges that the confidential nature of the confidential Information is vital to the commercial interests of HydRx, that the Confidential Information is and shall remain the sole and exclusive property of HydRx and that Vendor has and shall retain no right, title or interest, in or to the Confidential information. Vendor agrees at all times during the term of this P.O and for five (5) years thereafter (i) to keep secret and not to use the confidential



information, except for the specific purposes of providing the Deliverables, or as expressly authorized by HydRx in writing and to take all necessary measures and precautions, in order to maintain the confidential proprietary and secret nature of the confidential information and (ii) to take all necessary precautions to ensure that its employees officers directors and agents shall maintain the secret and proprietary nature of the Confidential information. and shall not use the Confidential information except as require in connection with the providing of Deliverables as expressly authorized by HydRx in writing.

**15. Remedies – Vendor acknowledges that any violation of the terms of this P.O. would result in damages to HydRx, which could not be adequately compensated by monetary award alone. In the event of any violation by Vendor of the terms of this P.O., HydRx shall be entitled as a matter of right to apply to a court of competent equitable jurisdiction for relief, waiver, restraining order, injunction, decree or other remedy as may be appropriate to ensure compliance of the Vendor with the terms of this P.O.**

**16. General Provisions • This PO constitute the Parties entire agreement relating to its subject matter and supersedes and replaces all previous negotiations, representations and any other understanding between them relating to the same subject matter. Subject to Section 10 of this P.O any modification and/or amendment to this P.O. must be in writing and executed by both Parties Vendor shall not assign this P.O or any of its rights or obligations hereunder without HydRx's prior written consent which consent may be withheld at HydRx's sole discretion. This P.O shall be governed by and interpreted in accordance with the laws of the Province of Ontario without reference to its conflict of law, provisions and the laws of Canada applicable therein All disputes arising under this P.O will be referred to the courts of the Province of Ontario, which will have jurisdiction, and each Party hereto irrevocably submits to the jurisdiction of such courts If any term or provision of this P.O or the application thereof shall be invalid or unenforceable. such term or provision shall be severed from this P.O and the remainder of this P.O shall be unaffected thereby and each remaining term or provision of this P.O. shall be valid and be enforced to the fullest extent permitted by law. No provision of this P.O may be waived except in a written document signed by the Party granting such waiver. All references to monetary amounts in this PO shall be in Canadian currency, unless otherwise stated**

**17. Ethical Practices. HydRx's corporate policies provide that it must conduct all HydRx business in a lawful and ethical manner, in accordance with applicable laws and regulations Therefore. HydRx and the Vendor shall comply with the obligations identified herein as they are part of the P. O.**

**(a) Representations and Warranties – The Vendor hereby represents and warrants the following:**

- 1 The Vendor is licensed, registered or qualified under local law regulations, policies and administrative requirements to do business and. to the extent required by applicable law, has obtained licenses or completed such registrations as may be necessary or required by law to provide the Goods or Services encompassed, in this P.O, and**
- 2 The Vendor has not and will not directly or indirectly offer or pay or authorize such offer or payment. of any money or anything of value, or improperly seek to influence any Government Official (hereinafter defined), and if the Vendor itself is a Government Official, has not accepted and will not accept in the future, such a payment**

**(b) Audit and Monitoring- The Vendor will allow HydRx to take reasonable steps to ensure that any funds pursuant to this P. O. are properly used including:**

- 1 Providing periodic invoices, as applicable, stating, in detail the Deliverables provided.**
- 2 Providing documentation of all expenses to obtain reimbursement. and providing HydRx with written notification in advance of any extraordinary expenditure. as applicable. HydRx must authorize any extraordinary expenditure in writing before it may be incurred and**
- 3 Permitting, during the term of the P O and for three (3) years after final payment has been made in accordance with the PO, HydRx's internal and external auditor's access to any relevant books, documents papers and records of the Vendor involving the transaction set forth in this P.O**

**(c) Termination- In addition to the other termination rights provided in this PO HydRx may terminate this PO if the Vendor breaches any of the above representations and warranties or if HydRx learns that improper payments are being or have been made to Government Officials by the Vendor with respect to Services performed on behalf of HydRx or any other company. Further, in the event of such termination the Vendor shall not be entitled to any further payment regardless of any activities undertaken or agreements with additional third parties entered into**



prior to termination and the Vendor shall be liable for damages or remedies as provided by law

(d) Precedence- Notwithstanding anything to the contrary in the P.O. the Parties hereto agree that in the event of a conflict between any terms and conditions contained in this Section and those contained in the remainder of the PO the terms and conditions of this Section shall prevail

(e) Definition of a Government Official – “Government Official” is broadly interpreted and includes:

1. An officer or employee of, or an individual who acts in an official capacity on behalf of

(i) an entity listed below

(ii) any other Canadian federal, provincial, territorial or municipal government agency organization, commission, committee or foundation or

(iii) a Canadian party, Canadian Crown corporation or public international organization, or

2. A Canadian political party itself.

**Note:** Despite the fact that Canada operates under a public healthcare system, physicians are generally independent contractors and are not generally considered employees of the government.