

## Standard Terms and Conditions

THIS AGREEMENT IS BETWEEN:

- (1) The “Client” referred to in the proposal; and
- (2) JUSTIN WOOD CONSULTING LIMITED (herein referred to as 'JWC'), an Ontario corporation located in Beamsville, Ontario CANADA.

WHEREAS:

- (A) JWC is a provider of technical and management consultancy services, including the supply and implementation of products and/or software.
- (B) The Client wishes to procure such services and/or software for use at certain specified locations (the “Project”).
- (C) This Agreement sets out the standard terms and conditions on which such consultancy services, products and software shall be provided by JWC to the Client.

THE PARTIES THEREFORE AGREE as follows:

- 1.1 JWC shall carry out the Services using reasonable skill and care in accordance with the terms of this Agreement.
- 1.2 JWC shall use reasonable efforts to carry out its obligations in accordance with any dates specified in the Project Plan. However, unless otherwise specifically stated in the Project Plan, all dates are intended for planning and estimating purposes only and are not contractually binding.
- 1.3 Where the proposal or project initiation document specifies that JWC is to provide a Deliverable to the Client, unless an alternative method of acceptance is specified in proposal or project initiation document, the Client shall be deemed to have accepted such deliverable upon receipt.
- 1.4 Any deliverable that has been accepted (or that has been used by the parties as the basis for additional work) that is inconsistent with or otherwise modifies an earlier deliverable shall be deemed to supersede and prevail over the preceding Deliverable to the extent of the inconsistency or modification.

1.5 Where the proposal and/or project initiation document provides that the services are to be carried out in phases then acceptance and completion of each phase shall be in accordance with the project initiation document. Where the proposal and/or project initiation document provides that further details in respect of the Services are to be agreed by the parties during the term of the Agreement then such agreement and all consequent amendments to the project initiation document shall be carried out in accordance with Change Control Procedures.

1.6 Any modification, addition or other change to the Services or to any other provision of this Agreement other than those made in accordance with Clause 1.5, shall only be made in accordance with the change control procedure set out in the project initiation document.

1.7 Unless otherwise specified in the proposal and/or project initiation document, JWC shall provide the Services in accordance with its Value Driven Approach methodology, applied and modified in such manner as JWC determines appropriate.

#### CLIENT'S RESPONSIBILITIES

2.1 The Client acknowledges that the performance by JWC of its obligations hereunder is dependent on the Client carrying out its responsibilities as set out in this Agreement, including, without limitation, those responsibilities set out in the proposal and/or project initiation document, and as otherwise agreed between the parties. The Client shall carry out all such responsibilities in a timely manner.

2.2 Should the Client fail to perform any of its obligations under this Agreement or should any of the Assumptions fail to be valid and accurate, then JWC shall not be responsible for any delay, cost increase or other consequences due to such failure, and the Client shall reimburse JWC for any costs or expenses incurred due to such failure, including but not limited to payment at JWC's standard professional fee billing rates for the personnel that must be kept available during any delay caused by the Client's failure to perform its obligations. Any date that is affected by such failure(s) shall be extended by an amount of time equal to the length of such failure plus an additional period of time that is reasonable under the circumstances to address such delay.

2.3 The Client shall provide JWC and JWC's staff with all office and other accommodation, facilities and support at the Client's premises that JWC may reasonably require to perform the Services.

2.4 The Client shall ensure access for JWC's staff to the Client's premises where the Services are to be provided from 08:00 to 18:00 Monday to Friday plus any additional days and times required for the completion of the project.

2.5 The Client shall be responsible for ensuring that the Client has appropriate back-up, security and virus-checking procedures in place for any computer facilities that the Client provides. JWC agrees to comply with the Client's reasonable virus-checking procedures relating to such facilities which the Client notifies to JWC in advance in writing.

2.6 The Client agrees to promptly provide all information and materials reasonably required to enable JWC to provide the Services. JWC shall not be liable for any loss or damage arising from reliance on any information or materials supplied by the Client or for any inaccuracy or other defect in any information or materials supplied by the Client.

2.7 The Client shall obtain all licences, rights and permissions necessary for JWC to access, use and modify the software, hardware, data and other materials that the Client may provide or make available to JWC for use for the Services.

2.8 Unless specifically set out in the proposal and/or project initiation document, the Client shall be responsible for the management of any third parties it uses in relation to the Project (including, without limitation, those providing technical infrastructure), including but not limited to where the Client employs other suppliers whose work may affect JWC's ability to perform the Services, and the Client shall be responsible for the quality of their input and work.

## STAFF

3.1 In respect of each of JWC's and the Client's key staff specified in proposal and/or project initiation document, the relevant party shall use reasonable efforts to ensure that the named individuals are available in respect of the Services.

3.2 JWC staff may be absent from assignments for short periods when they undergo training or take holidays. JWC shall endeavour to avoid any disruption to the progress of the Services.

3.3 Subject to Clause 3.1, JWC may substitute staff at its discretion; in such circumstances, JWC shall give the Client reasonable notice and provide equivalent replacement staff.

3.4 Either party may request at any time the removal of (and the requested party shall remove) any Project team member if the requesting party:

(a) reasonably believes that the individual is not performing in the tasks required of that individual for the Project or does not meet appropriate professional standards; and

(b) previously provided the requested party with prior written notice of the problem and a reasonable opportunity to remedy the situation and the problem has not been remedied. In such an event the requested party shall provide replacement staff as soon as reasonably practicable.

3.5 The Client shall neither directly nor indirectly:

(a) offer employment to any member of JWC's staff working for the Client on an assignment; nor

(b) use the services of any such member of JWC's staff as a consultant, for a period of six months following the end of such individual's involvement in providing the Services. Breach of this condition shall render the Client liable to pay liquidated damages equal to four months' fees at the notified rate for the individual concerned.

3.6 The Client shall ensure that its staff are available to provide assistance as required to enable JWC to provide the Services. The Client agrees that the personnel that it assigns to work on matters related to the Services, whether Client employees or third parties, shall be qualified for the tasks to which they are assigned and shall conduct themselves in a co-operative fashion.

## FEES

4.1 Unless otherwise stated in the proposal, fees payable to JWC shall be calculated on a time and materials basis, based on the time spent by JWC's staff in providing the Services. Fees shall also include time spent by staff travelling which is in excess of their normal work journey time.

4.2 Fee rates are revised periodically and when staff are promoted. JWC shall give one month's notice of such revisions. The fee rates as at the date of this Agreement are set out in the proposal.

4.3 Unless otherwise stated in the proposal, expenses incurred on report production, travel and subsistence, and on goods and services purchased on the Client's behalf are charged at cost. Standard class rail and economy class air travel within Canada and The United States and business class or equivalent for overseas travel in excess of 9 hours flight time shall be charged.

4.4 All fees and expenses are stated exclusive of value added tax and other relevant taxes which shall be payable by the Client at the then prevailing rate.

4.5 In the event that the Client is required under any applicable law or regulation, whether in Canada or elsewhere, to withhold or deduct any portion of the payments due to JWC, then the sum payable to JWC shall be increased by such amount so that JWC is paid an amount equal to the sum it would have received had no withholding's or deductions been made.

4.6 Unless otherwise stated in the proposal, invoices for consultancy shall be issued on a monthly basis and shall be payable by the Client within 15 days of invoice date. Invoices for hardware and/or software including support will be issued with order and are payable immediately.

4.7 JWC reserves the right to charge interest on overdue amounts at an annual rate of 18% over the Bank of Canada base rate at of the date payment is to be made.

## CONFIDENTIALITY AND INTELLECTUAL PROPERTY RIGHTS

5.1 The Client acknowledges that the Intellectual Property Rights in all materials developed by JWC as part of the Services (including without limitation any Deliverable) shall be owned by JWC. The Client shall keep any methodologies and technology used by JWC confidential.

5.2 JWC grants to the Client a non-exclusive, non-transferable licence to use any deliverable for the Client's internal use, but the Client shall not provide a Deliverable or any copies of them to any third party without JWC's prior written consent.

5.3 JWC acknowledges that the Client owns any Intellectual Property Right in information and data which the Client provides to JWC. JWC shall keep confidential all confidential information which the Client provides to it. JWC shall, however, be free to use any skill and know-how acquired in performing the Services for the Client when performing services for other clients.

5.4 JWC shall always obtain the Client's permission in advance before publicizing work undertaken on the Client's behalf. However, JWC assumes the right to refer to the Client on its corporate web site and in proposals or other similar submissions made to prospective clients, unless the Client expressly prohibits such disclosure.

5.5 Reports, advice and services are provided solely for the purposes of the engagement to which they relate. The Client shall keep reports and advice provided by JWC confidential and shall not disclose or provide them to any third party without JWC's written permission.

5.6 The provisions restricting disclosure of confidential information shall not apply to any information which:

- (a) is or becomes public knowledge other than by breach;
- (b) is independently developed without access to the confidential information; or
- (c) is already in the possession of the other party without restriction before the date of receipt from the disclosing party; is required to be disclosed by law or a relevant stock exchange.

## LIABILITY

6.1 In no event shall JWC be liable:

- (a) for loss of profits, business, revenue, goodwill or anticipated savings, or for indirect or consequential loss or damage;
- (b) to third parties to whom the Client discloses reports and advice which JWC has prepared for the Client.

6.2 To the extent permissible by law all warranties, conditions or terms other than those expressly set out in this Agreement are excluded, including but not limited to all implied and statutory conditions and warranties such as implied warranties of satisfactory quality, merchantability and fitness for a particular purpose. Except for the warranties expressly set out in these terms and conditions, the Client acknowledges and agrees that it has relied on no other representations or warranties and that no other representations or warranties have formed the basis of its bargain hereunder.

## TERMINATION

7.1 This Agreement shall commence on the date hereof or such other date as may be specified in the proposal and, unless terminated in accordance with Clauses 7.2, 7.3 or 7.4, shall continue until the Services are completed in accordance with the proposal and/or project initiation document.

7.2 The Client shall be entitled to terminate this Agreement on giving such prior written notice and paying such sum to JWC as are specified in the proposal.

7.3 If the Client or JWC materially breaches the terms of this Agreement, and such breach is not cured or remedied within 30 days after written notice is given to the breaching party (or if it is not practical to cure or remedy the breach within such period, reasonable steps have not been taken within the 30 days to cure or remedy the breach), then the other party may, by giving further written notice to the breaching party, terminate this Agreement after the end of such 30-day period.

7.4 This Agreement may be terminated by either party upon written notice by that party in the event that the other party is unable to pay its debts or has a receiver, administrator, administrative receiver or liquidator appointed or calls a meeting of its creditors or ceases for any other reason to carry on business; or in the reasonable opinion of the other party any of these events appears likely.

7.5 On the termination of this Agreement each party shall return to the other any property of the other that it then has in its possession or control, except that solely for JWC's internal audit purposes, JWC may retain one copy of any documentation upon which the Services are based.

## GENERAL

8.1 JWC reserves the right to employ sub-contractors and agents to assist it when providing any part of the Services. Any reference to JWC staff or personnel in this Agreement includes sub-contractor staff and personnel. JWC shall be responsible for the fulfilment of its obligations hereunder, notwithstanding the performance of such obligations by its sub-contractors and agents.

8.2 Neither party shall be liable to the other for any failure to fulfil obligations (other than payment obligations) caused by circumstances beyond its reasonable control. Such circumstances ("Force Majeure Events") shall include without limitation acts of God, strikes, lockouts, riots, acts of war, epidemics, failures to obtain requested governmental visas, work permits or other authorizations, governmental laws and regulations imposed after the fact, fire, communication line failures, power failures, earthquakes, floods or other natural disasters. Both parties shall in any event use reasonable endeavours to avoid or mitigate the effect of Force Majeure Events so as to recommence performance of their obligations as soon as reasonably possible.

8.3 This Agreement is binding on the parties hereto, and nothing in this Agreement confers upon any other person or entity any right, benefit or remedy of any nature whatsoever.

8.4 Neither JWC nor the Client shall have the power to assign or transfer any rights or obligations under this Agreement, without the prior written consent of the other party, except that JWC may, without consent, assign or transfer its rights or obligations under this Agreement to a successor to all or a part of the consultancy business of JWC.

8.5 No delay or omission by either JWC or the Client in enforcing or exercising any right, power or remedy shall impair that right, power or remedy or be construed to be a waiver of it. A waiver by either JWC or the Client of any of its rights, powers or remedies or of any breach shall not be construed to be a waiver of any other right, remedy or power or any succeeding breach. No waiver or discharge of any kind shall be valid unless in writing and signed by an authorized representative of the party against whom such waiver or discharge is sought to be enforced.

8.6 Whenever under this Agreement one party is required or permitted to give notice to the other, such notice shall be deemed given when delivered in hand or 5 business days after dispatch by means of expedited courier of international reputation, which is sent to the addresses specified in the proposal. Either party hereto may change its address for notification purposes from time to time by giving the other party prior written notice in accordance with this Clause 10.6 of the new address and the date upon which it shall become effective.

8.7 JWC, in furnishing the Services to the Client, is acting only as an independent contractor. JWC does not undertake to perform any obligation of the Client, whether regulatory or contractual, or to assume any responsibility for the Client's business or operations.

8.8 If a court of competent jurisdiction or other competent body decides that any provision of this Agreement is void or otherwise ineffective but would be valid and effective if appropriately modified then such provision shall apply with the modification necessary to make it valid and effective. If such a provision cannot be so modified, the invalidity or ineffectiveness thereof shall not affect or impair the validity or legal effect of any other provision of this Agreement.

8.9 Where approval, acceptance, consent or similar action by the Client is required under this Agreement, such action shall not be unreasonably delayed or withheld.

8.10 In this Agreement:

(a) headings are for convenience of reference only and shall not be taken into account in construing the terms of this Agreement;

(b) other documents that are referenced in this Agreement shall form part of this Agreement.

8.11 This Agreement sets out the entire agreement between us and supersedes all prior representations, agreements, negotiations or understandings, whether oral or in writing, other than any fraudulent or negligent misrepresentation.

8.12 In the event that there is any conflict or inconsistency between these terms and conditions and other documents provided by JWC then unless the other documents specifically provide otherwise, these terms and conditions shall prevail.

## JURISDICTION AND GOVERNING LAW

9.1 All disputes and differences relating to this Agreement shall be governed by and interpreted in accordance with Canadian law.

9.2 Subject to Clause 9.3, the parties hereby submit to the exclusive jurisdiction of the Canadian courts.

9.3 Any dispute between the parties arising out of or relating to this Agreement (including without limitation relating to any breach of the dispute resolution process) shall be dealt with in accordance with the dispute resolution process described in the project initiation document.