Article 1: Contractual Definitions and Scope of Application

1.1 Corporate and Legal Definitions. In these General Purchasing Terms and Conditions ("GTC"), the following capitalized terms shall have the specific meanings ascribed to them below:

"**Purchaser**" means GANTREX Canada Inc., a corporation organized under the laws of Ontario, registered under Business Number **858113483**, having its principal executive and manufacturing facility located at **12 Barr Road, Ajax, Ontario, L1S 2G7, Canada**.
"**Contractor**" means the specific corporate entity, partnership, or individual acting as a vendor, supplier, fabricator, manufacturer, subcontractor, or service provider that executes or enters a commercial transaction or Contract with the Purchaser.
"**Consultant**" means any independent professional, third-party specialist, field engineer, or expert retained or deployed by the Contractor to execute specific technical tasks, design services, or consulting assignments under the Contract.
"**Parties**" means the Purchaser and the Contractor collectively, and "Party" means either one of them individually.
"**Purchaser's Technical Specifications**" means all engineering drawings, track designs, runway blueprints, material data sheets, quality metrics, and performance criteria issued by the Purchaser outlining the requirements for the Goods, materials, or Services ordered.
"**Contract**" means the binding agreement established between the Parties, comprising the face of the Purchaser's issued Purchase Order (PO), any written quotations or proposals explicitly accepted and executed by the Purchaser, any special project riders or provisions, these General Purchasing Terms and Conditions, and any mutually executed appendices, modifications, or Change Orders.
"**Goods and Services**" (or "Services") means all material components, structural steel, rail clips, sole plates, pads, grout, fabrications, or physical items sold/supplied, and all labor, engineering, installation, field support, or welding performed by the Contractor pursuant to the Contract.
"**In Writing**" or "**Written Form**" means any formalized, non-oral communication, which includes physical letters, signed contractual amendments, or digital transmissions via corporate email.
"**Contract Price**" means the total financial remuneration payable by the Purchaser to the Contractor for the complete, flawless execution of the Contract scope, exclusive of applicable harmonized or provincial sales taxes unless explicitly stated otherwise.
"**Site**" means the physical project job site, terminal, port, mill, warehouse, or Gantrex facility where the Goods are delivered or where the Services are prepared, fabricated, or executed.

1.2 Scope of Application and Priority of Terms

1.2.1 Absolute Prevailing Clause: These General Purchasing Terms and Conditions apply universally to all procurement transactions, requests for quotes, and Purchase Orders issued by the Purchaser to the Contractor. The Parties explicitly agree that these terms shall strictly prevail over, supersede, and exclude any general conditions of sale, invoice boilers, or terms provided by the Contractor.
1.2.2 Waiver of Contractor Terms: By acknowledging a Purchase Order, commencing manufacturing, or shipping Goods, the Contractor irrevocably acknowledges that it has reviewed these General Purchasing Terms and Conditions and explicitly waives the application of its own terms, conditions, or liability limitations.
1.2.3 Inducement to Contract: The Contractor's absolute acceptance of these General Purchasing Terms and Conditions constitutes a material inducement and condition precedent for the Purchaser entering into the Contract. The Purchaser would not issue a Purchase Order or engage the Contractor without this absolute agreement.
1.2.4 Restriction on Modifications: No variation, modification, deletion, or amendment to these General Purchasing Terms and Conditions shall be legally binding or enforceable against the Purchaser unless it is explicitly set out in writing and signed by an authorized corporate officer or executive procurement representative of GANTREX Canada Inc.

Article 2: The Contract, Order Management, and Specifications

2.1 Order of Precedence and Integration.

2.1.1 Special Conditions: Any special conditions, modifications, or riders applying in addition to these General Purchasing Terms and Conditions must be explicitly stated on the face of the Purchase Order (PO) or defined in a separate written agreement executed by the authorized procurement representatives of both Parties.
2.1.2 Order of Precedence: In the event of any conflict, inconsistency, or ambiguity between the documents comprising the Contract, the following descending order of precedence shall apply: (1) the face of the Purchaser's Purchase Order (including any specific project riders or special provisions attached thereto); (2) these General Purchasing Terms and Conditions; and (3) any approved technical drawings, blueprints, or appendices.
2.1.3 Entire Agreement: This Contract constitutes the entire agreement between the Parties regarding the specific Purchase Order scope. All prior negotiations, quotes, correspondences, or documentation exchanged between the Parties prior to the effective date of the PO are entirely superseded and merged herein. Such prior exchanges may only be referenced to clarify provisions of the Contract that a court or arbitrator deems ambiguous.
2.1.4 Contractor Responsibility for Documents: Any standard, guideline, or document referenced in the Contract as being "in the possession of the Contractor" is conclusively deemed to be possessed and understood by the Contractor. It is the sole responsibility of the Contractor to immediately request a copy of any such referenced documentation from the Purchaser if it is missing from their files.

2.2 Order Acknowledgement. Within three (3) business days of receiving a Purchase Order, the Contractor shall return a formal written order acknowledgement to the Purchaser. This acknowledgement must explicitly confirm acceptance of the PO terms and state the definitive delivery dates for the Goods and/or the completion schedule for the Services. Commencement of performance or shipment of Goods by the Contractor without a formal acknowledgement shall legally constitute absolute acceptance of the PO and all terms herein.

2.3 Technical Specifications and Duty of Professional Advice.

2.3.1 Professional Duty to Advise: The Contractor, as an expert in its manufacturing or engineering sector, owes a continuous duty of professional advice and information to the Purchaser. The Contractor must ensure that its performance incorporates recent technical and technological advancements, addresses the general and specific operational needs expressed by the Purchaser, and aligns with the Purchaser's commercial interests.
2.3.2 Compliance with Specifications: The Contractor shall manufacture the Goods and deliver the Services in strict accordance with the technical specifications, engineering drawings, blueprints, quality standards, or other documentation provided by the Purchaser. The Contractor is legally obligated to review all such documentation upon receipt and must immediately notify the Purchaser in writing of any errors, omissions, or deficiencies discovered. The Contractor shall not be absolved of its warranty obligations or product liabilities by claiming the Purchaser's technical documentation was non-exhaustive.

2.4 Change Management and Engineering Modifications.

2.4.1 Contractor-Proposed Changes: The Contractor may propose modifications to the technical specifications or drawings prior to implementation. Such proposals must be submitted to the Purchaser in Writing and shall not be executed until the Purchaser issues formal, written authorization. The Contractor must explicitly disclose to the Purchaser in its proposal all repercussions such modifications will have on the Contract Price, delivery timelines, safety, or product performance. Unilateral changes by the Contractor are strictly prohibited.
2.4.2 Purchaser-Directed Changes: The Purchaser reserves the absolute right at any time to issue written changes, amendments, or modifications to the drawings, designs, and technical specifications contained in the Contract. Upon receipt of a Purchaser-directed change, the Contractor shall immediately apprise the Purchaser of any equitable adjustments required regarding price or delivery schedules, which shall be formalized via a written Change Order signed by both Parties.

Article 3: Contractor's General Obligations and Supply Chain Controls

3.1 Quality Systems and Audits. The Contractor shall establish, maintain, and enforce a robust quality control and assurance system that meets or exceeds industry standards applicable to the Purchaser's sector (including any specific quality metrics outlined in the Purchase Order or Purchaser's Technical Specifications). The Purchaser reserves the right, upon reasonable prior notice, to conduct on-site visits, quality evaluations, and comprehensive facility audits to validate the effectiveness of the Contractor's quality management framework.

3.2 Right of Entry and Inspection.

3.2.1 Physical Access: The Contractor shall grant immediate access to its manufacturing facilities, production lines, and warehouses ("the Sites") to the Purchaser, its designated representatives, its commercial end-customers, and applicable regulatory or government authorities for the purposes of inspecting work-in-progress, raw materials, and completed Goods.
3.2.2 Records Access: Upon request, the Contractor shall provide the Purchaser and competent regulatory authorities with full access to all books, logs, manufacturing records, material traceability documentation, and inspection or non-destructive testing (NDT) reports associated with the performance of this Contract. The Contractor shall preserve all such quality and production records for a minimum period of seven (7) years following completion of the Contract.

3.3 Legal, Regulatory, and Industrial Compliance.

3.3.1 General Compliance: The Contractor, its personnel, and its permitted subcontractors shall strictly comply with all applicable federal, state, provincial, and local laws, statutory regulations, ordinances, and industry-specific codes governing the manufacturing, environmental impact, safety, and transportation of the Goods or performance of the Services.
3.3.2 Government or Regulatory Orders: If a Purchase Order indicates that the underlying contract is subject to specialized government oversight, military/defense regulations, or official agency monitoring, the Contractor assumes full responsibility for registering the order with the appropriate bodies. To protect proprietary commercial terms, the Contractor shall redact all unit pricing, financial totals, and payment methodologies from any contract copies submitted to such official services, unless otherwise mandated by law or pre-arranged with the Purchaser.

3.4 Material Control and Configuration Management. The Contractor strictly undertakes to:
(a) Disclosure of Non-Conformance: Immediately notify the Purchaser in writing of any material, component, or completed batch of Goods that fails to strictly conform to contract specifications, blueprints, or quality standards. Non-conforming items shall be immediately segregated and shall not be shipped from the Contractor's facility without a formal, written "Use-As-Is" or "Repair" disposition signed by the Purchaser's quality department.
(b) Management of Changes: Obtain the Purchaser's express prior written approval before executing any changes to the Contractor's sub-tier raw material suppliers, manufacturing facility locations, structural materials, or core fabrication/manufacturing processes.

(c) Supply Chain Flow-Down: Flow down all applicable requirements of this Contract including the Purchaser's technical specifications, quality standards, regulatory compliance terms, and any specific requirements passed down by the Purchaser's ultimate end-customer—throughout the Contractor's entire sub-tier supply chain.
(d) Anti-Counterfeit Mitigation: Implement and maintain rigorous anti-counterfeit control systems to prevent the introduction, blending, or use of counterfeit, uncertified, or non-genuine components and materials. The delivery of counterfeit parts or falsified material mill test certificates shall constitute a material default, rendering the Contractor fully liable for all associated recall, engineering replacement, and project delay costs.

Article 4: Performance Schedules, Delays, and Liquidated Damages

4.1 Delivery Timelines and Progress Tracking.

4.1.1 Progress Reporting: Time is of the essence in the performance of this Contract. The Contractor shall provide the Purchaser with regular manufacturing progress reports, production schedules, or expediting updates at intervals requested by the Purchaser to ensure compliance with the Contract timelines.
4.1.2 Calculation of Deadlines: The Contractor shall deliver the Goods or perform the Services strictly within the timelines specified in the Contract. Unless otherwise explicitly stipulated on the face of the Purchase Order, all delivery periods are expressed in standard North American Business Days (excluding weekends and statutory holidays) and run from the date the Purchase Order is issued. If the final day of a delivery period falls on a statutory holiday, the deadline shall be automatically extended to the next consecutive business day.
4.1.3 Shipping Notice and Right to Postpone: The Contractor shall provide the Purchaser with at least forty-eight (48) hours prior written notice of any physical delivery of Goods or commencement of on-site Services. The Purchaser reserves the absolute right to temporarily postpone delivery, or performance schedules were reasonably necessary for reasons of site safety, operational coordination, or project site constraints (including temporary facility closures or project interruptions). In such events, the Parties shall mutually agree on a revised delivery date without any additional cost or penalty to the Purchaser.

4.2 Excusable and Non-Excusable Delays.

4.2.1 Mandatory Notice of Delay: The Contractor shall notify the Purchaser in Writing within forty-eight (48) hours of the occurrence of any event or circumstance that is likely to delay the performance of the Contract. Occurrences of Force Majeure must be reported within twenty-four (24) hours in accordance with Article 9. Failure to provide timely written notice shall constitute a waiver of the Contractor's right to request an extension of time.
4.2.2 Approved Schedule Extensions: No adjustment or postponement of delivery deadlines shall be permitted except under the following circumstances:
(a) A written postponement explicitly directed and decreed by the Purchaser;
(b) A verified and approved event of Force Majeure; or
(c) A formal, written Change Order or Contract amendment executed by both Parties.
4.2.3 Acceleration Mitigation: The Contractor shall utilize all available resources, including overtime, additional shifts, or expedited freight, at its sole cost and expense, to mitigate potential delays, recover lost time, and strictly comply with the Purchaser's scheduling instructions.

4.3 Purchaser's Remedies for Default. If the Contractor fails to deliver the Goods or complete the Services within the contractually agreed timelines, and fails to cure such delay within seven (7) calendar days of receiving formal written notice from the Purchaser, the Purchaser may, at its sole discretion and without prejudice to any other legal remedies:
(a) Cancel and terminate the Purchase Order, in whole or in part, without any liability, compensation, or termination fees owed to the Contractor;
(b) Invoke self-help remedies to replace the Contractor and engage a third party to complete the scope of work, charging all associated direct and indirect excess costs back to the Contractor; or
(c) Accept late performance subject to the assessment of Liquidated Damages as defined below.

4.4 Late Delivery Liquidated Damages. If the Contractor delivers the Goods or performs the Services past the contractually agreed deadlines, the Purchaser shall be entitled, without prior notice of default, to assess and collect liquidated damages.
(a) Rate and Cap: Liquidated damages shall accumulate at a rate of 5% of the total Contract Price per week of delay (or a prorated amount of 0.71% per day), up to a maximum aggregate cap of 15% of the total Contract Price.
(b) Characterization: The Parties explicitly agree that these liquidated damages represent a genuine, reasonable pre-estimate of the operational and commercial losses the Purchaser would suffer due to a delay and are not intended as a penalty.
(c) Right to Offset and Actual Damages: The Purchaser may immediately deduct and withhold any accrued liquidated damages from any outstanding invoices or payments due to the Contractor. The assessment of liquidated damages shall be without prejudice to the Purchaser's right to pursue full recovery for actual, provable losses that exceed the liquidated damages cap.

Article 5: Delivery, Documentation, and Acceptance Framework

5.1 Technical Documentation and Quality Certifications.

5.1.1 Timing of Delivery: All operational manuals, maintenance guidelines, engineering schematics, and useful technical documentation relating to the Goods or Services must be delivered to the Purchaser prior to or concurrently with physical delivery. Final payment may be withheld until all required documentation is received.

5.1.2 Material Test Reports (MTRs): Where explicitly required by the Purchase Order or underlying technical specifications, the Contractor must enclose and provide certified, traceable documentation, including but not limited to:
(a) Certified Material Test Reports (MTRs) / Mill Test Certificates detailing chemical analysis and mechanical properties;
(b) Certificate of Conformance (C of C) or processing certificates validating specialized heat treatments, coatings, or non-destructive testing (NDT); and
(c) A formal declaration of strict compliance with the specified ASTM, CSA, AISI, or other designated industrial standards.

5.2 Delivery Logistics and Shipping Documents.

5.2.1 Delivery Location: The Contractor shall deliver the Goods and execute the Services strictly at the specific project site, warehouse, or delivery address designated on the face of the Purchase Order.
5.2.2 Required Shipping Documentation: Every shipment must be accompanied by a comprehensive, legible Packing Slip and Bill of Lading (BOL). All shipping documents must prominently display the Purchaser's unique Purchase Order number, part numbers, exact quantities, description of items, and structural drawings/item reference codes.

5.3 Inspection and Acceptance Protocols.

5.3.1 Two-Stage Verification. Upon arrival at the designated delivery point, goods shall undergo a two-stage verification process: (1) Quantitative Review (counting pieces/crates) and (2) Qualitative Inspection (technical conformity to drawings, welding standards, and tolerances).
5.3.2 Conditional Receipt vs. Final Acceptance. The Parties explicitly agree that a signature by the Purchaser's logistics personnel on a carrier's delivery receipt or packing slip constitutes a conditional acknowledgment of physical arrival only. It does not constitute legal or technical acceptance of the Goods. Final Acceptance shall only occur after the Purchaser's quality control department has completed a full qualitative inspection within a reasonable period (not to exceed thirty (30) calendar days from receipt).

5.4 Non-Conforming Deliveries and Rejections. If a shipment is found to be quantitatively short or qualitatively non-conforming to Contract blueprints and standards, the Purchaser reserves the absolute right to reject the delivery in whole or in part or cancel the Purchase Order for cause. In the event of a rejection, the following procedures apply:
(a) Written Notice: The Purchaser shall notify the Contractor in writing of the rejection, detailing the specific reasons and quantities of non-conforming Goods.
(b) Disposition and Return Costs: Rejected Goods shall be held at the Contractor's sole risk and expense. The Contractor must immediately coordinate the removal of rejected items. If not recovered by the Contractor within ten (10) calendar days, the Purchaser may return the Goods via freight-collect at the Contractor's expense.
(c) Mandatory Credit Note: The Contractor shall issue a formal financial credit note to the Purchaser for the full invoice value of the rejected Goods within ten (10) calendar days of receiving the rejection notice, unless alternative replacement procedures are agreed upon in writing.
(d) Replacement Discretion: The Purchaser retains sole discretion to dictate whether the non-conforming Goods or Services must be immediately replaced/re-performed by the Contractor, or if the scope should be permanently removed from the contract with a corresponding price reduction.

5.5 Acceptance of Services. Upon the completion of on-site fabrication, installation, or field services by the Contractor, acceptance shall be evaluated against project milestones. Formal acceptance (whether provisional or final) must be executed via a written Certificate of Completion or Sign-Off Document signed by an authorized project manager from both Parties.

5.6 Title, Risk of Loss, and Warranty Commencement. Notwithstanding any standard commercial shipping terms (such as Incoterms or FOB definitions), title to and risk of loss or damage for the Goods shall remain entirely with the Contractor until Final Acceptance has been formally executed by the Purchaser. The Contractor's structural and product warranties shall not begin to run, and no transfer of legal liability shall occur, until such Final Acceptance is completed.

Article 6: Assignment Restrictions and Subcontractor Controls

6.1 Strict Restriction on Assignment.

6.1.1 Prior Written Consent: The Contractor shall not assign, transfer, delegate, or outsource this Contract, or any portion thereof, nor any of its rights, duties, interests, or obligations herein (including the right to receive payments), without obtaining the express, prior written consent of the Purchaser's authorized procurement department. Any attempted assignment or delegation in violation of this clause shall be deemed null, void, and a material breach of contract.
6.1.2 Binding on Successors: Subject to the restrictions on assignment contained herein, this Contract shall ensure to the benefit of, and be strictly binding upon, the Parties and their respective corporate successors, legal representatives, and permitted assigns.

6.2 Regulation of Subcontracting.

6.2.1 Authorization Threshold: The Contractor shall not engage, hire, or utilize any third-party subcontractors, sub-tier manufacturers, or independent laborers to perform all or any part of the Contract scope without the express, prior written authorization of the Purchaser.
6.2.2 Approved Subcontractor Roster: Prior to the commencement of any manufacturing, fabrication, or performance of Services, the Contractor must submit a definitive list of proposed sub-tier vendors and subcontractors to the Purchaser for formal vetting and approval. Once this roster is approved by the Purchaser, the

Contractor is strictly prohibited from substituting, replacing, or adding subcontractors without a subsequent written amendment or approved Change Order from the Purchaser.

6.3 Contractor Liability and Mandatory Flow-Down Requirements.

6.3.1 Absolute Responsibility: Any subcontracting permitted by the Purchaser shall be executed at the Contractor's sole risk, cost, and expense. Subcontracting shall in no way relieve, diminish, or release the Contractor from any of its primary contractual obligations, performance schedules, warranties, or liabilities under this Contract. The Contractor shall stand as the primary obligor and guarantor of performance.
6.3.2 Subcontractor Actions and Indemnity: The Contractor shall be fully and unconditionally liable to the Purchaser for all acts, deficiencies, defaults, structural failures, breaches, omissions, delays, or negligence committed by its subcontractors, sub-tier suppliers, and their respective employees or agents. The Contractor explicitly agrees to defend, indemnify, and hold harmless the Purchaser from any claims, losses, or damages arising out of a subcontractor's performance.
6.3.2 Mandatory Contractual Flow-Downs: The Contractor is legally obligated to incorporate and "flow down" the exact terms, conditions, quality metrics, audit rights, anti-counterfeit provisions, safety rules, and confidentiality obligations of this Contract into every written agreement executed with its approved subcontractors. Upon request, the Contractor shall provide the Purchaser with redacted copies of such subcontracts to verify compliance with these flow-down mandates.

Article 7: Industrial Packaging, Preservation, and Shipping Marks

7.1 Adequacy and Standards of Packaging.

7.1.1 General Duty: The Contractor shall pack, preserve, secure, crate, and bundle all Goods in a highly professional manner suitable for heavy industrial components. Packaging must be engineered to withstand the hazards of multi-modal transportation, rough handling, cross-dock loading, outdoor storage, and environmental exposure.
7.1.2 Specific Mitigation: Packaging must actively prevent damage, structural distortion, bending, corrosion, rust, moisture intrusion, contamination, or any physical degradation during transit and prolonged job-site storage.
7.1.3 Compliance Standards: Unless otherwise specified on the face of the Purchase Order, all packaging must meet or exceed ASTM D3951 standard commercial practices and comply with the National Motor Freight Classification (NMFC) rules. For all international shipments or wood-palette packaging, the Contractor must strictly adhere to ISPM 15 (International Standards for Phytosanitary Measures) regarding heat-treated, stamped wood.

7.2 Shipping Marks, Labeling, and Packing Slips.

7.2.1 Exterior Marking: Every box, crate, bundle, or container must be clearly and legibly stenciled or labeled on the exterior using weather-resistant ink. Markings must prominently display: (a) the Purchaser's unique Purchase Order number; (b) part/item numbers; (c) total piece count; (d) gross and net weights; and (e) specific lifting, rigging, center-of-gravity, or directional handling instructions.

7.2.2 Documentation Enclosure: A complete, weather-proofed Packing Slip must be securely attached to the outside of each shipping container or bundle, with a duplicate copy placed inside. For structural steel components or rail shipments, mill heat numbers and material tracking codes must correspond directly to the packing slip.

7.3 Allocation of Risk and Environmental Compliance.

7.3.1 Contractor Liability for Defective Packaging: The Contractor retains sole, absolute financial liability for any damage, structural loss, corrosion, or delays resulting from inadequate, defective, or improper packaging, preservation, or labeling. If an insurance carrier or freight line denies a damage claim due to "insufficient packaging" or faulty blocking/bracing within a container, the Contractor shall fully indemnify the Purchaser and replace the damaged Goods at its own cost.

7.3.2 Environmental and Regulatory Compliance: All packaging materials must comply with applicable local, state, provincial, and federal environmental and safety regulations in both the country of origin and the destination (including US DOT, Transport Canada, and OSHA regulations). Hazardous or restricted materials used in packaging or preservation (such as rust-inhibiting oils or coatings) must be disclosed, and an appropriate Safety Data Sheet (SDS) must accompany the shipment.

Article 8: Pricing Controls, Invoicing, and Payment Terms

8.1 Firm Contract Pricing and Cost Inclusions

8.1.1 Firm and Fixed Prices: The price specified on the face of the Purchase Order is a firm, fixed price and is not subject to escalation, revision, or adjustments for fluctuations in material costs (including steel indices), labor, or currency exchange rates, unless explicitly authorized in writing via a formal Contract amendment or Change Order signed by the Purchaser.
8.1.2 Tax Allocation: The Contract Price includes all customs duties, import tariffs, brokerage fees, excise taxes, and local/provincial/federal levies of any kind, as well as all commercial packaging, crating, blocking, bracing, and multi-modal freight costs to the designated delivery Site. Applicable Harmonized Sales Tax (HST), Provincial Sales Tax (PST), or State Sales and Use Taxes shall be excluded from the base Contract Price but must be clearly broken out as separate line items on all invoices.
8.1.3 Operational Inclusions: Unless otherwise explicitly negotiated, the Contract Price also encompasses: all specialized tooling and fabrication machinery required; engineering studies, structural drawings, or research; mandatory quality control testing and material tracing; commercial insurance coverages; all relevant intellectual property or software licensing required for operation; and comprehensive maintenance and operating documentation.

8.2 Billing Requirements and Invoice Auditing

8.2.1 Three-Way Match Protocol: Invoices must be submitted electronically to the Purchaser's designated accounts payable department at accounting.name@gantrex.com. To be deemed valid for payment processing, every invoice must explicitly reference:
(a) The unique Gantrex Purchase Order (PO) number and item/line numbers;
(b) The corresponding Packing Slip or Bill of Lading (BOL) number;
(c) Exact quantities shipped and unit prices matching the PO; and
(d) Any contractually authorized discounts.
8.2.2 Invalid Invoices: The omission of a valid Purchase Order number or any required tracking references shall render the invoice null and void. The Purchaser shall notify the Contractor of any such non-compliance or billing error within ten (10) business days of receipt. The Contractor must promptly issue a corrected invoice, and the contractually agreed payment term clock shall reset and commence only upon the Purchaser's receipt of the fully compliant invoice.

8.3 Terms of Payment and Right of Set-Off

8.3.1 Net 60 Terms: Compliant invoices shall be paid by the Purchaser within sixty (60) calendar days from receipt of a fully compliant invoice AND conditional delivery of goods by the accounts payable department. Payments shall be executed exclusively via Electronic Funds Transfer (EFT) or corporate wire to the Contractor's verified bank account. The Purchaser explicitly rejects, and will not process payments through, bills of exchange, sight drafts, or collection documents presented through banking institutions.
8.3.2 Express Right of Set-Off: In the event of a commercial or technical dispute (including, but not limited to, quantitative shortages, latent structural defects, non-conforming materials, or unexcused project delays), the Purchaser reserves the absolute right to withhold and set off any disputed amounts from the Contractor's pending or future invoices. The Purchaser may exercise this right of set off across any outstanding balances owed to the Contractor, regardless of whether the dispute arises under this specific Purchase Order or any other agreement between the Parties and may hold such funds until the dispute is fully resolved.
8.3.3 Non-Waiver by Payment: The absence of an immediate, formal rejection of an invoice by the Purchaser does not constitute an acceptance of its validity or accuracy. Furthermore, no payment executed by the Purchaser shall be construed as an acceptance of non-conforming Goods or Services, nor shall it constitute a waiver of any of the Purchaser's legal rights, warranties, or remedies regarding hidden defects or performance failures.

Article 9: Force Majeure and Schedule Protection

9.1 Definition of Force Majeure
Neither Party shall be held liable or responsible for an unexcused failure or delay in executing its obligations under this Contract to the strict extent that such failure or delay is directly caused by a legally recognized event of Force Majeure. An event of "Force Majeure" means an external, extraordinary, and unavoidable occurrence that is completely beyond the reasonable control of the affected Party, could not have been reasonably foreseen at the time the Purchase Order was issued, and could not have been prevented, mitigated, or overcome through the exercise of maximum due diligence.

9.1.1 Explicitly Included Events: Force Majeure shall be strictly limited to: Acts of God (such as extreme and unprecedented natural disasters, catastrophic floods, earthquakes, volcanic eruptions, or tornadoes); declared wars, invasions, or violent insurrections; acts of foreign terrorism; or sudden, mandatory national or provincial government embargoes or border closures that completely halt commerce.
9.1.2 Explicitly Excluded Commercial Events: The Parties explicitly agree that the following typical market disruptions do not constitute Force Majeure, and the Contractor explicitly assumes all risk for:
(a) General economic or market downturns, inflationary pressures, or currency exchange fluctuations;
(b) Commercial insolvency, bankruptcy, credit freezes, or financial distress of the Contractor or any sub-tier supplier;
(c) Shortages, price spikes, or supply chain allocations of raw materials, including but not limited to structural steel, iron, specialized alloys, polymers, or grout components;
(d) Standard commercial transportation delays, customs clearance bottlenecks, or carrier equipment shortages; and
(e) Labor disputes, slow-downs, lockouts, or strikes confined strictly to the Contractor's own corporate workforce, facility, or its chosen subcontractors.

9.2 Strict Notice and Mitigation Obligations

9.2.1 Notice as a Condition Precedent: To claim the protection of a Force Majeure event, the affected Party must provide a formal written notice to the other Party within forty-eight (48) hours of the initial onset of the event. This notice must contain comprehensive details documenting the nature of the Force Majeure, the exact operational impact, and a realistic recovery schedule. Compliance with this 48-hour notice window is a strict condition precedent; failure to notify within this timeframe constitutes an absolute and irrevocable waiver of the right to claim an excused delay for that specific event.
9.2.2 Active Mitigation Duty: The Contractor must actively execute all commercially reasonable alternative measures to bypass, mitigate, or remedy the effects of the Force Majeure event (including, if necessary, utilizing alternative manufacturing facilities or air-freighting raw materials at cost).
9.2.3 Status Updates and Cessation: The Contractor shall provide the Purchaser with written status reports every seventy-two (72) hours throughout the duration of the event

and must provide immediate written notice the moment the Force Majeure event has concluded.

9.3 Absolute Right of Termination for Schedule Impairment. Because time is of the strict essence in heavy industrial project execution, and because the Purchaser's contractual standing depends on unwavering alignment with its clients' milestones, the Purchaser is granted the following overriding termination protections:
(a) The 15-Day Threshold: If a contractor's delay or non-performance caused by a Force Majeure event continues for a cumulative or consecutive period exceeding fifteen (15) calendar days, the Purchaser may terminate the affected Contract or Purchase Order immediately, in whole or in part, without any penalty, cancellation fees, or legal liability. For custom-fabricated Goods, Gantrex will compensate the vendor for actual, verifiable, non-cancelable direct material costs incurred up to the termination date, provided title transfers to Gantrex.
(b) Immediate Client-Driven Termination: Notwithstanding the 15-day grace period outlined above, if the Contractor's Force Majeure delay threatens to cause Gantrex to miss critical milestones or triggers a risk of liquidated damages or termination from Gantrex' s end-customer, the Purchaser reserves the absolute right to terminate the Contract immediately upon written notice to the Contractor, without any penalty or liability. For custom-fabricated Goods, Gantrex will compensate the vendor for actual, verifiable, non-cancelable direct material costs incurred up to the termination date, provided title transfers to Gantrex.
(c) Allocation of Pre-Termination Costs: In the event of a termination under this Article, the Purchaser's sole financial obligation shall be to pay for compliant, non-defective Goods that were fully completed, physically delivered, and definitively accepted by Gantrex prior to the onset of the Force Majeure event. The Contractor shall promptly return any unearned down payments or deposits previously issued by the Purchaser.

Article 10: Logistics, Risk of Loss, and Delivery Protocols

10.1 Governing Shipping Terms and Allocation of Risk

10.1.1 Default Incoterm: Unless otherwise explicitly negotiated and stipulated in writing on the face of the applicable Purchase Order, all domestic and international shipments of Goods shall be executed strictly DDP (Delivered Duty Paid) – Purchaser's Designated Facility or Project Site (Incoterms® 2020). The Contractor shall be solely responsible for all freight costs, export/import clearances, customs brokerage fees, and domestic duties.
10.1.2 Offloading Liability: Notwithstanding anything to the contrary in the standard Incoterms® 2020 definitions, the Contractor explicitly retains all risks of loss, damage, or destruction during the physical offloading and rigging of the Goods. Risk of loss shall only be transferred to the Purchaser after the Goods have been completely, safely, and physically unloaded from the transport vehicle and placed flat on the ground or designated storage racks at the final destination. If offloading requires specialized cranes or heavy equipment provided by the Purchaser as a courtesy, the Contractor's carrier must direct and oversee the lift; the Contractor remains liable for transit-related structural shifting that causes a failure during unloading.

10.2 Separation of Title and Risk of Loss. In the absence of specific shipping terms noted on the Purchase Order, the default commercial rule of this Contract shall be:
(a) Transfer of Title: Legal title and ownership rights to the Goods shall pass to the Purchaser at the earliest legal point—either upon allocation of the Goods to the Purchaser's order at the Contractor's factory, or upon cross-border entry into Canada. This ensures the Purchaser's priority claim over the materials in the event of Contractor insolvency.
(b) Maintenance of Risk: Notwithstanding the transfer of legal title, the Risk of Loss or damage remains exclusively with the Contractor until the Goods are safely delivered, offloaded, and signed for via a conditional delivery receipt by an authorized corporate representative of the Purchaser at the final destination.

10.3 Inspection Framework and Payment Tolling.

10.3.1 Patent Visual Inspection Window: The Purchaser shall have ten (10) business days (extended to twenty (20) business days if delivered directly to an active, multi-contractor project construction site) following physical delivery to conduct a preliminary visual inspection for apparent transit damage, structural bending, obvious coating failures, or quantitative shortages (collectively, "Patent Defects").
10.3.2 Notice and Evidence Preservation: If any Patent Defects are discovered, the Purchaser shall notify the Contractor in writing within this timeframe. The Purchaser shall make commercially reasonable efforts to capture photographic evidence or log exceptions directly on the carrier's Bill of Lading (BOL) to assist the Contractor in pursuing its maritime or inland freight insurance claims.
10.3.3 Automatic Payment Tolling: The formal notification of any shipping damage, dimensional inaccuracy, or shortage within this inspection window shall automatically and legally freeze/toll the Purchaser's payment obligations for the entire affected shipment. The net payment clock (e.g., Net 60) shall be completely suspended and shall only resume from day zero once the Contractor has fully replaced the damaged Goods, remedied the shortage, or completed a joint technical resolution under Article 14 (Warranties).
10.3.4 Reservation for Latent Defects: The Parties explicitly agree that the inspection windows outlined in this section apply strictly to visible, external transit damage. They do not limit, waive, or impair the Purchaser's right to reject Goods at a later date for latent, hidden, or structural engineering defects (such as internal steel inclusions, faulty chemistry, or hydrogen embrittlement) discovered during subsequent fabrication, welding, or field operation.

Article 11: Transfer of Ownership, Title, and Intellectual Property Rights

11.1 Transfer of Title and Protection Against Insolvency

11.1.1 Earliest Point of Transfer: Absolute legal title, ownership rights, and unencumbered interest in all Goods, products, components, or fabricated materials shall pass directly to the Purchaser upon the occurrence of the earliest of the following milestones:
(a) The moment any portion of the Goods is physically allocated, identified to the Contract, or set aside at the Contractor's or its sub-tier vendor's manufacturing facility;
(b) The execution of any milestone payment, down payment, or progress payment by the Purchaser for the applicable Goods, in whole or in part; or
(c) Physical delivery and conditional acceptance of the Goods at the designated Site.
11.1.2 Work-in-Progress (WIP) and Segregation: If the Purchaser executes any progress or milestone payments prior to final delivery, title shall automatically vest in the Purchaser for all raw steel, components, sub-assemblies, and Work-in-Progress (WIP) currently under fabrication. The Contractor is legally obligated to clearly mark, stencil, tag, and physically segregate all such materials within its facility as being the "Exclusive Property of GANTREX Canada Inc." The Contractor shall ensure that no third-party financial institutions or lienholders can attach a security interest or encumbrance to these Purchaser-owned assets.
11.1.3 No Relief of Liability: The transfer of legal title or ownership under this Article shall in no way relieve, diminish, or release the Contractor from any of its operational responsibilities, safety obligations, or liabilities under this Contract. The Risk of Loss shall remain exclusively with the Contractor in strict accordance with the modified Incoterms® outlined in Article 10 until final offloading is completed.

11.2 Ownership of Deliverables and Assignment of Intellectual Property

11.2.1 Work Product Allocation: In the case of engineering Services, track designs, runway analysis, or technical consulting, all deliverables, calculations, 2D/3D CAD drawings, blueprints, calculations, reports, technical specifications, documentation, and digital models (collectively, "Work Product") generated, authored, or produced by the Contractor or its Consultants in connection with this Contract shall be the sole and exclusive property of the Purchaser. Title to such Work Product shall vest in the Purchaser immediately upon creation, regardless of whether it is in a provisional or final state.
11.2.2 Intellectual Property Assignment: The Contractor explicitly acknowledges and agrees that all Work Product shall be considered a "Work Made for Hire" to the maximum extent permitted by applicable North American copyright and intellectual property laws. To the extent that any such Work Product may not legally qualify as a Work Made for Hire, the Contractor hereby irrevocably and unconditionally assigns, transfers, and conveys to the Purchaser, its successors, and assigns, the entire global right, title, and interest in and to all copyrights, patents, trade secrets, trademarks, and other intellectual property rights embedded within the Work Product.
11.2.3 Waiver of Moral Rights (Canadian Compliance): The Contractor shall secure from all of its employees, agents, and independent Consultants an absolute, irrevocable written waiver of any and all "moral rights" (including rights of integrity and paternity) recognized under the Canadian Copyright Act or any similar international legislation, ensuring that the Purchaser has the unrestricted right to alter, modify, patch, update, or adapt the drawings and designs for future project requirements without requiring further consent

Article 12: Default, Remedies, and Termination Framework

12.1 Events of Default and Purchaser's Remedies.

12.1.1 Notice of Default and Cure Periods: If the Contractor breaches any material contractual, technical, legal, or regulatory obligation under this Contract, or if the Purchaser determines that the Contractor's progress has fallen behind to a degree that jeopardizes project milestones, the Purchaser may issue a formal written Default Notice. The Contractor shall have five (5) business days from the receipt of such notice to fully cure the specified breach. Notwithstanding the foregoing, if the Contractor's default threatens to cause the Purchaser to miss a critical job-site installation deadline or exposes the Purchaser to liquidated damages from its end-customer, the Purchaser reserves the right to require the Contractor to submit a written remediation plan within 48 hours, with a 5 to10 business day window to execute the cure.
12.1.2 Remedial Options: If the Contractor fails to completely remedy the default within the applicable cure period, the Purchaser may, at its sole discretion, execute any one or more of the following concurrent or sequential remedies, without prejudice to any other legal rights or claims for damages:
(a) Suspension of Performance: Withhold any pending payments and suspend its own performance under this Contract or any other active Purchase Order with the Contractor;
(b) Specific Performance: File for immediate injunctive relief or legal compulsion to force the Contractor to execute its contractual obligations;
(c) Termination for Cause: Terminate the Contract, in whole or in part, immediately upon written notice of termination; or
(d) Takeover and Self-Help: Step in and execute a complete or partial takeover of the unperformed scope. The Purchaser may hire a third-party contractor or utilize its own internal labor forces to finish the manufacturing, engineering, or installation. All direct and indirect costs, administrative premiums, freight expediting fees, and price differentials incurred by the Purchaser in executing this self-help remedy shall be billed directly to, and absorbed by, the Contractor, or deducted via the Right of Set-Off under Article 8.

12.2 Financial Distress and Insolvency Protections. To the maximum extent permitted under applicable Canadian and United States insolvency legislation, the Purchaser may terminate this Contract immediately for cause if:
(a) The Contractor suspends its business operations, admits in writing its inability to pay its debts as they mature, makes a general assignment for the benefit of creditors, or if a liquidator, monitor, trustee, or receiver is appointed over the Contractor's corporate assets; or
(b) The Contractor fails to provide the Purchaser with written, verifiable Adequate Assurances of Performance (such as bank letters of credit, certified financial statements,

or raw material supply verifications) within forty-eight (48) hours of a formal written demand by the Purchaser following evidence of the Contractor's financial distress or notorious insolvency.

12.3 Immediate Termination for Compliance and Regulatory Breaches.
The Purchaser reserves the right to terminate this Contract instantly, without any cure period, notice window, or financial compensation, if the Contractor, its corporate officers, site personnel, or approved subcontractors commit any of the following material infractions:
(a) A breach of the core compliance provisions outlined in Articles 6 (Subcontracting/Assignment), 13 (Confidentiality), 16 (Anti-Corruption), 17 (Customs/Trade Compliance), or 18 (Code of Conduct);
(b) Any severe or repeated violation of provincial occupational health and safety regulations (such as Ontario OHSA/Ministry of Labour rules), federal environmental protection laws, or site-specific safety protocols; or
(c) Any engagement in criminal misconduct, fiscal fraud, tax evasion, or deliberate misrepresentation of material testing data.

12.4 Full Indemnity for Damages and Loss
In the event of a default or termination under this Article, the Contractor shall be fully, unconditionally, and financially liable to the Purchaser for all direct and consequential losses, damage, liabilities, and expenditures resulting from the Contractor's breach. This includes, but is not limited to, the cost of sourcing replacement components, secondary testing expenses, expedited logistics premiums, administrative overhead, legal fees on a full-indemnity basis, and any liquidated damages or back charges legally assessed against Gantrex by its end-customer due to the Contractor's project delays.

12.5 Mandatory Post-Termination Turnover and Material Recovery
Within forty-eight (48) hours following the delivery of a Termination Notice under any provision of this Article, the Contractor is legally compelled to execute the following turnover actions at its own risk and expense:
(a) Return of Gantrex Property: Return all free-issue materials, components, tooling, or equipment previously supplied by the Purchaser to the Contractor's shop; and
(b) Delivery of Project Data and Tooling: Surrender and deliver to the Purchaser all useful technical documentation, 2D/3D CAD models, structural calculations, quality tracking sheets, specialized shop drawings, custom dies, manufacturing jigs, patterns, and templates required to allow the Purchaser or a replacement vendor to seamlessly continue and complete the manufacturing or installation of the crane runway systems

Article 13: Confidentiality, Non-Circumvention, and Data Security

13.1 Comprehensive Definition of Confidential Information. The Contractor explicitly acknowledges that by entering into this Contract, it will gain access to proprietary, and commercially sensitive information belonging to the Purchaser, its corporate affiliates, or its project clients (collectively, "Confidential Information").

13.1.1 Scope of Information: Confidential Information includes, without limitation: the existence and terms of this Contract; Purchaser pricing matrices, discount structures, and cost estimations; specialized track designs, runway blueprints, engineering calculations, 2D/3D CAD models, material chemistry formulations, and technical specifications; crane rail clip geometry and pad dimensions; business operations, procurement pipelines, and strategic expansion plans; and the specific identities of the Purchaser's customers, end-users, or project developers.
13.1.2 Form of Disclosure: Information shall be deemed strictly confidential whether it is communicated in writing, digitally, verbally, or acquired via visual observation during facility tours or job-site visits, and regardless of whether it is explicitly stamped, marked, or designated as "Confidential."

13.2 Strict Obligations of Non-Disclosure, Restriction on Use, and Non-Circumvention. The Contractor agrees on behalf of itself and its directors, officers, corporate employees, agents, and permitted sub-tier vendors (collectively, "Representatives"), to maintain all Confidential Information in absolute confidence using a degree of care no less than a highly prudent corporation would use to protect its own top-tier trade secrets. The Contractor and its Representatives shall:
(a) Exclusive Operational Purpose: Use the Confidential Information solely and exclusively for the purpose of executing its specific manufacturing or service obligations under this Contract, and for absolutely no other commercial or private purpose.
(b) Absolute Disclosure Ban: Not disclose, publish, leak, or disseminate any Confidential Information to any third party without securing the express, prior written authorization of a corporate executive of the Purchaser.
(c) Reverse-Engineering Restriction: Not copy, duplicate, replicate, photograph, or reverse-engineer any proprietary components, clips, pads, or engineering files supplied under the Contract.
(d) Mandatory Non-Circumvention: Not use the Purchaser's Confidential Information (including project names, site locations, or client identities) to circumvent, bypass, or eliminate the Purchaser. The Contractor is strictly prohibited from directly or indirectly soliciting, bidding, negotiating, or contracting with any of the Purchaser's clients or project end-users for the scope of work or materials covered under this Contract or any subsequent project expansion.
(e) Cyber and Cloud Security Controls: Not upload, process, or store any of the Purchaser's technical drawings, CAD data, or proprietary specifications into any public cloud servers, unencrypted mobile devices, or training-generative AI platforms. All digital assets must be stored on secure, password-protected corporate networks with restricted access.

13.3 Legally Documented Exceptions. The restrictive obligations outlined in this Article shall not apply to any specific data that the Contractor can conclusively prove via contemporaneous written records:
(a) Is or becomes generally available to the public through no direct or indirect fault, omission, or breach of the Contractor or its Representatives;
(b) Was already rightfully in the lawful possession of the Contractor prior to disclosure by the Purchaser, free of any pre-existing confidentiality restrictions; or
(c) Is legally compelled to be disclosed pursuant to a valid order issued by a court of competent jurisdiction or a regulatory body (such as a Canadian federal or provincial agency). In such an event, the Contractor must provide the Purchaser with immediate written notice within twenty-four (24) hours of receiving the demand and must fully cooperate with the Purchaser's efforts to contest, limit, or secure a protective order for the threatened data.

13.4 Certified Destruction and Data Purging. Upon the expiration, cancellation, or termination of this Contract, or immediately upon the written request of the Purchaser, the Contractor shall within five (5) business days:
(a) Return all physical folders, samples, free-issue components, and specifications to the Purchaser; and
(b) Permanently delete and purge all digital copies, CAD files, emails, and server backups of the Confidential Information from its corporate network. An executive officer of the Contractor must provide the Purchaser with a formal, signed written compliance certificate verifying that all digital data has been completely and securely destroyed.

13.5 Survival and Trade Secret Status. The restrictive covenants and non-disclosure obligations set forth in this Article 13 shall survive the expiration or termination of this Contract for a fixed period of five (5) years from the date of termination. Notwithstanding this time limit, the Parties explicitly agree that for any Confidential Information constituting a "Trade Secret" under applicable North American laws (including proprietary product formulas, specialized steel engineering tolerances, and patented clip designs), the confidentiality and non-use restrictions shall remain in effect perpetually.

13.6 Injunctive and Equitable Relief. The Contractor acknowledges that any breach or threatened breach of this Article will cause immediate, irreversible, catastrophic financial and competitive harm to the Purchaser that cannot be adequately compensated by monetary damages alone compensate for thus the Contractor explicitly agrees that in the event of any breach or threatened breach, thus the Purchaser shall be entitled to seek an immediate, interlocutory injunction, temporary restraining order, or decree of specific performance from any court of competent jurisdiction (including the Ontario Superior Court of Justice) to halt the disclosure or circumvention. The Purchaser shall be entitled to this remedy without the necessity of proving actual economic damages, showing irreparable harm, or posting any cash bond or security.

Article 14: Comprehensive Warranties and Technical Conformance

14.1 Scope of Material and Performance Warranties. The Contractor explicitly, unconditionally, and contractually warrants to the Purchaser, its successors, and its corporate clients that all Goods, materials, structural fabrications, specialized components, and labor Services furnished under this Contract shall:
(a) Freedom from Defects: Be brand new, of premium commercial quality, and completely free from any defects in metallurgical chemistry, material composition, structural design, manufacturing workmanship, and assembly;
(b) Absolute Conformance: Strictly and flawlessly conform to the Purchaser's Technical Specifications, final approved engineering drawings, track tolerance demands, and all other specific requirements outlined in the Purchase Order;
(c) Fitness for Purpose: Be merchantable, highly durable, and completely fit for the specific intended industrial purpose of the Purchaser, including resisting the specific dynamic wheel loads, fatigue stress, and environmental exposures common to heavy crane runway operations, to the extent such applications are communicated or should reasonably be anticipated by an expert supplier; and
(d) Non-Infringed IP: Be free of any lawful claim of any third party by way of patent, trademark, copyright, or trade secret infringement.

14.2 Extended Warranty Period and Component Reset.

14.2.1 Core Warranty Duration: The warranties established under this Article shall remain in full force and effect for a period of twenty-four (24) months from the date the Goods are officially placed into beneficial commercial operation or the job-site installation Services are completed, or twenty-eight (28) months from the date of final physical delivery to the Site, whichever period expires first (the "Base Warranty Period").
14.2.2 Full Reset for Replacements: If any component, material, or fabrication is repaired, modified, or replaced under warranty, the warranty period for that specific component shall automatically and fully reset for an additional twenty-four (24) months commencing from the date the repaired or replaced component passes functional re-testing and is returned to beneficial commercial operation. This reset is designed to protect the Purchaser against latent, systemic material failures.

14.3 All-Inclusive Field Remediation Requirements. The Purchaser shall notify the Contractor in writing of any defect, structural cracking, dimensional shifting, or non-conformance discovered during the applicable warranty window.

14.3.1 Vendor Financial Responsibility: Upon receipt of such notice, the Contractor shall, at its sole cost, risk, and expense, immediately rectify the failure.
14.3.2 Field Cost Inclusion: The Contractor explicitly acknowledges that because the Goods are integrated into complex industrial track systems, the obligation to "repair or replace" extends far beyond the shop floor. The Contractor is fully responsible for organizing, executing, and financially absorbing all-inclusive field costs, including:
(a) In-bound and out-bound expedited logistics and hot-shot freight premiums;
(b) The cost of field labor, specialty welding crews, and engineering oversight;
(c) All necessary site access costs, including scaffolding, heavy rigging, crane rentals, and mobile lifting equipment hire; and
(d) All secondary post-repair testing, magnetic particle inspections, non-destructive testing (NDT), and laser geometry alignments.

14.3.3 Operational Continuity: All warranty work must be scheduled and executed in a manner that minimizes operational downtime or disruptions to the Purchaser's or the end-customer's facilities.

14.4 Failure to Remedy, Emergency Self-Help, and Back charges.

14.4.1 Aggressive Response Window: The Contractor must formally respond and initiate a mobilized technical plan of action within forty-eight (48) hours of receiving a defect notification from the Purchaser.
14.4.2 Self-Help Trigger: If the Contractor fails to respond within this 48-hour window, or fails to complete the repairs within a timeline acceptable to the project schedule, the Purchaser reserves the absolute right, at its sole discretion and without waiving any other rights, to execute the following Emergency Self-Help measures:
(a) Reject and Refund: Reject the entire batch of non-conforming Goods, return them to the Contractor at the Contractor's sole risk and expense, and demand an immediate 100% refund of all progress payments issued; or
(b) Third-Party Interventions: Procure an alternate local fabricator, engineering specialist, or site welding crew to execute the modifications or complete the replacement. The Purchaser shall compute all direct and indirect expenses incurred—including internal engineering hours, replacement material costs, expedited shipping, crane rentals, and administrative premiums—and back charge the Contractor directly or subtract the balance under the Right of Set-Off in Article 8.

Article 15: Allocation of Liability and Corporate Indemnification

15.1 Contractor General Liability. The Contractor shall be fully and financially liable to the Purchaser for all direct losses, economic damages, costs, or expenditures suffered or incurred by the Purchaser, its corporate affiliates, or their respective project clients, to the extent resulting from any breach of contract, non-conformance of Goods, regulatory infraction, negligence, or willful misconduct by the Contractor, its personnel, or its permitted sub-tier vendors.

15.2 Mutual Limitation of Consequential Damages. Except for the critical compliance and risk carve-outs explicitly detailed in Section 15.3, neither Party shall be liable to the other under any legal theory (whether in contract, tort, strict liability, or otherwise) for any indirect, incidental, special, exemplary, or punitive damages arising out of or relating to this Contract.

15.3 Absolute Carve-outs from the Limitation of Liability. The exclusions and limitations of liability set forth in Section 15.2 and Section 15.6 shall not apply, and the Contractor shall remain fully, strictly, and transparently liable without any financial cap or exclusion of damage categories, for any losses or claims arising from:
(a) Personal injury, bodily injury, occupational illness, or death caused by the acts, omissions, or omissions of the Contractor or its agents;
(b) A breach of Article 13 (Confidentiality, Non-Circumvention, and Data Security);
(c) Third-party claims that fall under the mandatory defense and indemnification obligations outlined in Section 15.4;
(d) Gross negligence, fraudulent misrepresentation, reckless endangerment, or intentional willful misconduct; or
(e) Pass-Through Customer Charges: Any liquidated damages, delay penalties, production back charges, or administrative deductions legally assessed against Gantrex Canada Inc. by its end-customer or prime contractor, to the extent such penalties were caused by the Contractor's delivery delays, material defects, or project non-performance. The Parties explicitly agree that all such customer-enforced financial penalties shall be legally categorized as Direct Damages under this Contract.

15.4 Robust Third-Party Indemnification and Defense Obligations.

15.4.1 Scope of Indemnity: The Contractor shall defend, indemnify, and hold harmless the Purchaser, its parent company, its global affiliates, and their respective directors, officers, employees, site agents, and designated project customers (collectively, the "Indemnified Parties") from and against any and all third-party claims, demands, regulatory citations, lawsuits, losses, liabilities, settlement amounts, judgements, and expenses (including legal fees on a full-solicitor-and-client basis) arising out of or resulting from:
(a) Any actual or alleged infringement of a third party's patent, trademark, copyright, or trade secret rights relating to the design, manufacturing, or use of the Goods;
(b) Property damage to the Purchaser's existing facility, or the end-customer's infrastructure, docks, berths, tracks, or heavy machinery (such as ship-to-shore cranes or gantry systems) caused by the Contractor's logistics carriers or field installation personnel; or
(c) Any environmental contamination, hazardous chemical release, or occupational health violation triggered by the Contractor on-site.

15.4.2 Immediate Duty to Defend. Upon written demand by the Purchaser, the Contractor shall immediately assume the physical defense of any covered third-party lawsuit or claim. The Contractor shall retain highly competent legal counsel acceptable to the Purchaser and absorb all ongoing legal fees. The Purchaser reserves the right to control its own defense or participate in negotiations at the Contractor's expense if a conflict of interest emerges.

15.5 Limitation of Purchaser's Liability. The Purchaser's total liability to the Contractor for any actual breach of contract, payment dispute, or commercial claim shall be limited strictly to direct, unpaid balances owed for compliant Goods or Services delivered. In no event shall the Purchaser be liable for the Contractor's lost manufacturing efficiencies, unabsorbed plant overhead, or anticipated margins on unperformed work. The maximum aggregate liability of the Purchaser under any single Purchase Order shall never exceed the total dollar amount actually paid to the Contractor under that specific Purchase Order.

15.6 Contractor Overall Liability Cap. Subject strictly to the absolute carve-outs detailed in Section 15.3 (which remain entirely uncapped), the Contractor's maximum aggregate financial liability to the Purchaser for all standard commercial claims combined under a given Purchase Order shall be capped at the greater of: (I) one hundred percent (100%) of the total value of the applicable Purchase Order; or (II) the minimum insurance coverage limits required to be maintained by the Contractor under this Contract for personal injury, gross negligence, IP infringement, breach of confidentiality, and pass-through end-customer delay damages.

Article 16: Corporate Insurance Requirements and Risk Verification

16.1 Mandatory Minimum Coverages and Policy Limits. In connection with the execution of Services, fabrication of components, or delivery of Goods under this Contract, the Contractor shall, at its own sole expense, secure and maintain in full force and effect with top-tier insurance carriers (rated no less than A- VIII by A.M. Best), the following minimum insurance coverages:
(a) Commercial General Liability (CGL): Written on an occurrence basis, including bodily injury, death, personal injury, broad-form property damage, products-completed operations liability, independent contractors' coverage, and cross-liability/severability of interest provisions. The policy limits shall be not less than $5,000,000 per occurrence and in the aggregate (which may be achieved via a combination of a primary CGL policy and a commercial excess/umbrella liability policy).
(b) Commercial Automobile Liability: Covering all owned, non-owned, hired, leased, or scheduled vehicles utilized by the Contractor's personnel or logistics carriers in connection with the Contract, with a combined single limit of not less than $2,000,000 per accident for bodily injury and property damage.
(c) Workers' Compensation and Employers' Liability:
(I) Provincial Statutory Compliance: The Contractor shall maintain full statutory worker protection coverage in strict compliance with the local jurisdiction governing the work (specifically including valid, uninterrupted coverage with the Workplace Safety and Insurance Board (WSIB) in Ontario).
(II) Employers' Liability Limits: The Contractor shall maintain Employers' Liability coverage with a limit of not less than $1,000,000 per accident or occupational illness.
(d) Professional Liability / Errors & Omissions (E&O): If the Contractor's scope of work includes any engineering analysis, track design, structural calculations, surveying, or technical consulting services, the Contractor shall maintain Professional Liability insurance with a limit of not less than $2,000,000 per claim and in the annual aggregate. This policy must feature a retroactive date prior to the commencement of any engineering work under this Contract and must be maintained with a continuous discovery period (or tail coverage) extending for at least three (3) years post-project completion.

16.2 Crucial Policy Endorsements and Legal Protections. To the maximum extent permitted by law, the Contractor shall cause its insurance underwriters to issue formal policy endorsements reflecting the following corporate protections:

16.2.1 Additional Insured Endorsement: "GANTREX Canada Inc.," its corporate parent company, its affiliates, and the designated project end-customer (when requested by the Purchaser) shall be explicitly named and endorsed as Additional Insureds on the Commercial General Liability and Automobile Liability policies for all operational liabilities arising out of the Contractor's performance.
16.2.2 Primary and Non-Contributory: The Contractor's insurance policies shall be explicitly endorsed to state that they are Primary Insurance regarding any covered claims or losses, and that any corporate insurance or self-insurance programs maintained by the Purchaser shall be strictly excess, secondary, and completely non-contributory.
16.2.3 Absolute Waiver of Subrogation: The Contractor hereby waives all rights of recovery against the Purchaser for losses occurring during the project, and shall secure from its CGL, Auto, and Workers' Compensation/WSIB insurers an explicit Waiver of Subrogation in favor of GANTREX Canada Inc. and its directors, officers, and employees.

16.3 Verification of Coverage and Compliance Mechanics.

16.3.1 Certificate of Insurance (COI) Delivery: Prior to executing any physical work, entering any designated manufacturing zone or job site, or delivering any Goods under this Contract, and annually thereafter upon the anniversary of policy renewals, the Contractor must submit a standard ACORD or CSIO Certificate of Insurance (COI) verifying compliance with all limits and endorsements required under this Article.
16.3.2 WSIB Clearance (Ontario Mandate): For all Services performed or Goods handled within the Province of Ontario, the Contractor must submit a valid WSIB Clearance Certificate prior to mobilizing on-site. The Purchaser reserves the absolute right to freeze and withhold any milestone or progress payments otherwise due under Article 8 if the Contractor's WSIB status lapses, becomes restricted, or fails to show a clear, active account standing.
16.3.3 Notification of Material Change: The Contractor is contractually bound to provide the Purchaser with written notice via registered mail or verifiable email at least thirty (30) calendar days prior to any cancellation, non-renewal, or material reduction/restriction in policy coverage limits.
16.3.4 Subcontractor Alignment: The Contractor shall ensure and verify that any approved sub-tier vendors or subcontractors hired to perform field services under this Contract maintain insurance policies that match or exceed the risk-management thresholds and additional insured requirements outlined in this Article.

Article 17: Intellectual Property Safeguards and Technology Transference.

17.1 Ownership and Protection of Purchaser IP.

17.1.1 Retention of Rights: The Contractor explicitly acknowledges and agrees that all intellectual property rights, including patents, utility models, trademarks, service marks, copyrights, trade secrets, proprietary software code, 2D/3D CAD models, runway

calculations, track geometry layouts, and material formulations owned by or licensed to the Purchaser prior to, or developed independently of, this Contract ("Purchaser IP"), shall remain the sole, absolute, and exclusive property of the Purchaser.
17.1.2 Limited License Restrictions: No right, title, license, or commercial interest in or to any Purchaser IP is granted or implied to the Contractor, except for a highly restricted, non-exclusive, non-transferable, non-sublicensable, and revocable license to view and utilize the Purchaser IP solely to the extent strictly necessary to manufacture the Goods or perform the Services under this specific Contract.
17.1.3 Misappropriation and Reverse-Engineering Prohibitions: The Contractor shall not, and shall ensure its personnel do not, take any action that infringes, challenges the validity of, or misappropriates the Purchaser's IP. The Contractor is strictly prohibited from copying, scanning, digitizing, cloning, or reverse-engineering any products, patented rail clips, vulcanized rubber pads, short-stroke cylinders, or technical documentation supplied by the Purchaser.

17.2 Clear Segregation of Background IP. If the Contractor incorporates any of its own pre-existing, proprietary intellectual property, standard manufacturing designs, or off-the-shelf software elements into the final Goods or Services delivered to the Purchaser ("Contractor Background IP"), the Contractor shall retain ownership of such background elements. However, the Contractor hereby grants to the Purchaser an irrevocable, perpetual, worldwide, non-exclusive, fully paid-up, royalty-free, transferable license (with the absolute right to sub-license to the Purchaser's corporate affiliates and project end-customers) to use, execute, modify, repair, maintain, adapt, and replicate such Contractor Background IP solely to the extent that it is embedded within, or required for the full operational enjoyment, maintenance, and expansion of, the delivered crane runway systems and track components.

17.3 Absolute Transference of Foreground IP ("Developed IP"). The Contractor explicitly agrees that all intellectual property, engineering designs, specialized drawings, field data, assembly layouts, technical improvements, software scripts, custom molds, and materials developed, generated, or conceived by the Contractor, its corporate employees, or its permitted subcontractors in the performance of this Contract ("Foreground IP") shall belong exclusively and transparently to the Purchaser from the exact moment of its structural creation or conceptualization.
(a) United States Jurisdiction Alignment: To the maximum extent applicable under United States copyright legislation, all elements of Foreground IP that qualify as a copyrightable work shall be legally designated as a "work-made-for-hire" created for the exclusive economic benefit of the Purchaser.
(b) Canadian and Common Law Absolute Assignment: To the extent that any Foreground IP does not legally qualify as a work-made-for-hire, or is governed in whole or in part by Canadian federal or provincial intellectual property statutes, the Contractor hereby irrevocably, unconditionally, and globally assigns, transfers, and conveys to the Purchaser, automatically upon its creation and without the requirement of any further financial consideration, all right, title, and interest in and to such Foreground IP, including all worldwide patent priorities, industrial designs, and copyrights.

17.4 Mandatory Written Waiver of Moral Rights. To ensure the unencumbered use and modification of engineering assets within Canada, the Contractor hereby irrevocably and unconditionally waives, and contractually pledges to cause its engineering employees, drafting agents, and sub-tier vendors to waive, any and all "moral rights" (including the rights of integrity, attribution, and association) that they may possess under the Canadian Copyright Act or any equivalent international legislation regarding all Foreground IP developed under this Contract. The Contractor shall maintain signed, individual moral rights waivers from its engineering personnel and shall deliver copies to the Purchaser immediately upon request.

17.5 Intellectual Property Infringement Indemnity and Remediation Sequence.

17.5.1 Core Warranty of Non-Infringement. The Contractor warrants and guarantees that the Goods, structural fabrications, custom clips, and mechanical installation Services provided under this Contract do not, and will not, infringe, violate, or misappropriate the patent, copyright, trademark, or trade secret rights of any third party. The Contractor shall defend, indemnify, and hold harmless the Purchaser from and against any third-party claims, lawsuits, or regulatory actions alleging IP infringement, in strict accordance with the defense mechanisms established in Article 15.4.

17.5.2 Compulsory Remediation Pipeline. If the use of any Goods or component part delivered by the Contractor is enjoined, held to be infringing, or if the Purchaser reasonably believes a third-party patent lawsuit is imminent, the Contractor shall, at its own sole cost and expense and in a manner that completely avoids project site downtime, immediately execute one of the following remedial measures:
(a) Secure a valid, royalty-free commercial license from the third-party patent holder permitting the Purchaser and its end-customers to continue utilizing the components perpetually;
(b) Replace or modify the infringing Goods with a non-infringing, completely re-engineered equivalent component that delivers identical or superior technical performance and fits within the exact spatial tolerances of the crane runway assembly; or
(c) If options (a) and (b) are commercially impossible, accept the return of the non-conforming Goods, issue an immediate 100% refund of all progress payments, and indemnify the Purchaser for all field removal, freight, and crane de-installation expenses.

Article 18: Protection of Personal Information and Data Security

18.1 Compliance with Evolving Privacy Legislation. Both Parties shall strictly comply with all applicable municipal, provincial, state, and federal privacy, data protection, and cybersecurity laws, regulations, and binding directives in force during the term of this Contract. This compliance framework explicitly includes, without limitation:
(a) Canadian Frameworks: The Personal Information Protection and Electronic Documents Act (PIPEDA), Quebec's Act respecting the protection of personal information in the private sector, and all applicable provincial equivalents; and
(b) United States Frameworks: All comprehensive state-level privacy and data security statutes enacted across the United States (collectively, "Privacy Laws").

18.2 Strict Scope and Restrictions on Processing Purchaser Data.
The Contractor acknowledges that during the performance of this Contract, it may collect, access, host, or process personal data, personnel files, or proprietary operational information relating to the Purchaser, its employees, corporate representatives, site agents, or clients (collectively, "Purchaser Data").
18.2.1 Operational Data Scope: Purchaser Data explicitly includes, without limitation: employee names, corporate email addresses, contact numbers, government-issued IDs, safety certifications, union credentials, WSIB clear standings, background check verifications, and project-specific site access lists required for field operations.
18.2.2 Processing Limitations: The Contractor contractually agrees that it shall:
(a) Limited Business Purpose: Process, store, and utilize Purchaser Data solely and exclusively for the purpose of executing its direct manufacturing or service obligations under this Contract and shall not "sell" or "share" (as defined under applicable Privacy Laws) any such data for marketing or external commercial purposes.
(b) Cybersecurity Controls: Implement, maintain, and continuously audit a robust, written information security program containing technical, physical, and organizational safeguards (including multi-factor authentication, data encryption at rest and in transit, and firewalls) designed to protect Purchaser Data against unauthorized access, ransomware, alteration, disclosure, accidental loss, or destruction.
(c) Sovereign Data Sovereignty: Not transfer, store, route, or host any Purchaser Data, technical drawings, or personnel files outside the physical borders of Canada or the United States without securing the express, prior written authorization of a corporate executive of the Purchaser.

18.3 Data Subject Rights and Regulatory Cooperation. The Contractor shall notify the Purchaser in writing within forty-eight (48) hours if it receives any formal request from an individual seeking to access, correct, port, or delete their personal information held within the Purchaser Data pool. The Contractor shall not respond directly to any such individual request except on the documented written instructions of the Purchaser and shall fully and transparently cooperate with the Purchaser to fulfill all statutory timelines imposed by applicable Privacy Laws.

18.4 Rapid Security Incident Notification and Financial Accountability

18.4.1 24-Hour Notification Window. The Contractor shall notify the Purchaser's corporate management in writing immediately, and in no event later than twenty-four (24) hours, upon discovering or reasonably suspecting any unauthorized access, data breach, ransomware encryption, malware infiltration, or accidental exposure of Purchaser Data (a "Security Incident").
18.4.2 Mandatory Content. The notification must detail the nature of the breach, the specific categories of data exposed, and the immediate containment measures implemented.
18.4.3 Remediation and Cost Absorption. The Contractor shall, at its own sole expense, immediately take all necessary remedial actions to mitigate the effects of the Security Incident. The Contractor shall fully indemnify and reimburse the Purchaser for all direct costs resulting from a covered Security Incident, including: (i) independent third-party digital forensics investigations; (ii) legal counsel retained to assess statutory reporting duties; (iii) the physical cost of drafting and mailing notifications to affected employees or regulators; and (iv) mandatory credit monitoring and identity theft protection services for affected personnel for a minimum duration of twenty-four (24) months.

18.5 Permanent Data Purging and Certified Destruction. Upon the completion of the Services, expiration of the Contract, or at any time upon the written demand of the Purchaser, the Contractor shall within five (5) business days permanently, securely, and completely delete, overwrite, or physically destroy all copies of Purchaser Data in its possession, custody, or control.

18.5.1 Destruction Standard. Destruction must be executed using industry-standard secure data sanitization methods (such as NIST SP 800-88 Rev. 1 guidelines) to ensure the data cannot be digitally reconstructed.
18.5.2 Officer Certification. The Contractor shall deliver a formal, signed written compliance certificate to the Purchaser verifying that all digital and physical records have been securely and permanently destroyed.

18.6 Mandatory Subcontractor Flow-Down Obligations. The Contractor shall not outsource any processing, cloud hosting, or handling of Purchaser Data to a sub-tier vendor, off-site logistics provider, or IT subcontractor without the prior written consent of the Purchaser. If approved, the Contractor must bind the subcontractor to a written agreement that imposes data privacy, location restrictions, and cybersecurity obligations that are identical to or more stringent than the standards set forth in this Article 18. The Contractor remains fully and strictly liable to the Purchaser for the data security compliance and performance of all such subcontractors.

Article 19: Governing Law, Dispute Resolution, and Severability

19.1 Choice of Law. This Contract, and all Purchase Orders, amendments, or disputes arising out of or relating to the relationship between the Parties, shall be governed by, interpreted, and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, strictly excluding its conflict of law principles that would require the application of the laws of another jurisdiction.

19.2 International Convention Exclusion. The Parties explicitly acknowledge and agree that the United Nations Convention on Contracts for the International Sale of Goods (CISG) is expressly excluded in its entirety and shall have no application to this Contract or any transactions contemplated hereunder.

19.3 Exclusive Forum Selection and Jurisdiction. Any legal suit, action, or proceeding arising out of or relating to this Contract shall be instituted exclusively in the competent courts located in the City of Toronto, Province of Ontario. Each Party irrevocably submits to the exclusive personal jurisdiction of such courts, waives any objection based on improper venue or forum non conveniens, and agrees that it shall not seek to initiate or transfer any litigation to any other jurisdiction.

19.4 Mandatory Dispute Escalation Procedure. In the event of a controversy or claim arising out of this Contract, the Parties shall adhere to the following mandatory escalation sequence before initiating litigation:
(a) Step 1: Good Faith Negotiation: The aggrieved Party shall provide written notice of the dispute. Within ten (10) business days, designated project leaders from both sides shall meet (in person or via video conference) to attempt a resolution.
(b) Step 2: Executive Mediation: If the dispute remains unresolved after fifteen (15) business days, senior executives from both companies (with full settlement authority) shall convene to negotiate a final resolution.
(c) Step 3: Formal Litigation: Only after the expiration of thirty (30) calendar days from the initial notice of dispute—without a resolution—may either Party commence formal legal proceedings in the courts defined in Section 19.3.

19.5 Emergency Injunctive Relief. Notwithstanding the dispute escalation requirements in Section 19.4, either Party may seek immediate interim, injunctive, or equitable relief from a court of competent jurisdiction to prevent irreparable harm, including but not limited to: protection of Intellectual Property (Article 17), enforcement of Data Security protocols (Article 18), or prevention of immediate physical threats to site safety.

19.6 Statutory Frameworks and Implied Warranties.
(a) Canadian Orders: Rights and obligations shall be governed by the Sale of Goods Act (Ontario).
(b) U.S. Orders: Transactions originating from U.S.-based facilities shall be construed under the Uniform Commercial Code (UCC) as adopted in the state of the Purchaser's applicable facility.
(c) Preservation of Rights: To the maximum extent permitted by applicable law, the implied warranties of merchantability, fitness for a particular purpose, and freedom from encumbrances are explicitly preserved and enforceable in favor of the Purchaser, notwithstanding any standard terms or disclaimers printed on the Contractor's invoices or standard quotes.

19.7 Severability. If any provision, clause, or sub-clause of this Contract is held by a court of competent jurisdiction to be invalid, illegal, or unenforceable, such determination shall not affect the validity or enforceability of the remainder of this Contract. The offending provision shall be deemed modified to the minimum extent necessary to make it enforceable while preserving the original commercial intent of the Parties.

Article 20: Corporate, Ethical, and Environmental Governance (ESG Compliance)

20.1 Absolute Compliance with Statutory Frameworks. The Contractor contractually undertakes and guarantees that all its business operations, manufacturing plants, raw material procurement streams, and field services are conducted in absolute compliance with all applicable municipal, provincial, state, federal, and international laws concerning occupational health and safety, corporate ethics, anti-corruption, and environmental preservation.

20.2 Mandatory Ethical and Labor Warranties. The Contractor explicitly warrants, represents, and pledges that throughout the duration of this Contract:
(a) Prohibitions on Exploitative Labor. It operates in strict compliance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act (Canada), the Fair Labor Standards Act (US), and all applicable local labor statutes. The Contractor guarantees that it completely excludes any form of child labor, human trafficking, undeclared underground work, or forced/compulsory prison labor from its facilities and supply chains.
(b) Anti-Corruption and Fair Competition. It conducts all business activities with total transparency and integrity. The Contractor warrants that it maintains an active anti-bribery policy and strictly complies with the Corruption of Foreign Public Officials Act (Canada) and the Foreign Corrupt Practices Act (US). It shall completely exclude any form of commercial bribery, kickbacks, illegal conflicts of interest, price-fixing, or anti-competitive collusive practices.
(c) Environmental Stewardship and Waste Isolation. It maintains all necessary environmental permits and operates in strict accordance with the Canadian Environmental Protection Act (CEPA), the Environmental Protection Act (Ontario), and the US Environmental Protection Agency (EPA) regulations. The Contractor must implement verified operational measures to track, limit, and safely isolate the environmental impacts of its manufacturing activities, specifically regarding:
(I) The safe handling, storage, and certified disposal of hazardous chemical waste, industrial solvents, and heavy metals;
(II) The reduction of airborne pollutant emissions and industrial particulate matter; and
(III) The optimization of energy consumption and preservation of local watershed biodiversity adjacent to fabrication facilities.

20.3 Strict Supply Chain Flow-Down Mandate. The Contractor shall legally bind its own primary material suppliers, component fabricators, steel mills, and sub-tier logistics providers to ethical, social, and environmental standards that are identical to or more stringent than those outlined in this Article 20. The Contractor shall maintain documented evidence of such flow-down agreements and shall actively monitor its supply chain for compliance.

20.4 Unannounced Right to Audit and Physical Verification. To verify compliance with the obligations established under this Article, the Purchaser, or its designated independent third-party industrial auditor, reserves the absolute right, upon providing forty-eight (48) hours' written notice, to:
(a) Access the Contractor's production facilities, fabrication yards, and material warehouses during standard operational hours;
(b) Inspect and copy all relevant personnel timecards, safety logs, material mill test reports (MTRs), and environmental disposal manifests; and
(c) Review the Contractor's official corporate compliance certifications (such as ISO 14001 for Environmental Management or ISO 45001 for Occupational Health and Safety).
All costs associated with a compliance audit demonstrating an active violation shall be borne entirely by the Contractor.

20.5 Immediate Default, Termination, and Project Disqualification. The Parties explicitly agree that any violation of the warranties or compliance targets set forth in this Article 20 shall be legally categorized as an immediate, non-curable Material Breach of Contract.

20.5.1 Right to Terminate. In the event of a verified or reasonably suspected infraction, the Purchaser reserves the absolute right to immediately suspend all active Purchase Orders, halt progress payments, or terminate the contractual relationship for cause with zero advance notice or cure period, as an absolute right.
20.5.2 Financial Indemnification. The Contractor shall fully indemnify, defend, and hold harmless the Purchaser from and against all regulatory fines, project delays, legal costs, or disqualification damages assessed against the Purchaser by an end-customer resulting directly from the Contractor's ethical or environmental non-compliance.