

Axiom Group Inc. Contract Services Quotation Specifications

Purpose: This document will serve as a guideline for contract services quotation specifications and general requirements.

Scope: This document applies to engineering services, contract services, and custom manufactured equipment. Examples include tooling, gauges, automation/robotics, and electrical services.

Responsibility: President, V.P. of Business Administration, V.P. of Customer Development, Purchasing Manager, Controller, Managers, Supervisors

Axiom Group Inc. Obligations

Section 1: Request for Work or Services

- I. Axiom Group Inc. or its divisions will request specific work or services needed via the Request for Quotation form **(QAR-4.03-08)**.
- II. Axiom Group Inc. will provide details to outline the project scope, specifications, and or the requirements of the needed services. It is understood that the proficiency of services and expertise rests with the supplier. Therefore it is clearly understood that the Request for Quotation **(QAR-4.03-08)** may not provide all necessary specifications and/or detail for services required. It is the supplier's responsibility to provide all necessary information in order to ensure that the contracts meet and/or exceed the requirements as detailed in this document.
- III. Axiom Group Inc. personnel will request amendments / changes to the original Request for Quotation **(QAR-4.03-08)** once the supplier has reviewed the contract requirements. Once the review process has been completed, a final revision of the Request for Quotation **(QAR-4.03-08)** will be provided with all necessary changes in order to ensure the satisfactory completion of the contract.

Section 2: Tools, Machinery and Supplies

- I. If a contract / service requires the use of tools, materials, space and/or machinery available at Axiom Group Inc., Axiom Group Inc. will endeavour to supply tools; materials, space and/or machinery to the vendor/contractor provided such tools, materials, space and/or machinery have been included in the quote and have been agreed upon by Axiom Group Inc.
- II. The cost for supplying tools, materials, space and/or machinery indicated above shall be at a cost specified and agreed upon in the bid for the contract or service.
- III. Tools, materials, space and/or machinery indicated above shall be supplied on a priority basis where priority shall be given to the needs of Axiom Group Inc.

Section 3: Work Completion and Payment

- I. Work or services provided by the contractor shall be considered complete only when all the terms and conditions of the contract as well as the quality of work are met to the satisfaction of Axiom Group Inc.

- II. If the quality of work is not specifically indicated in the contract it must be performed to the **industry standards**, otherwise the contract shall be deemed incomplete.
- III. Full payment by Axiom Group Inc. will be made if and when all the conditions of the contract are met to the satisfaction of Axiom Group Inc. Partial payments if specified in the contract will also be made subject to the satisfaction of Axiom Group Inc.

Vendors/Contractors Obligations

Section 1: Specifications and Quality Standards

- I. The vendor/contractor shall provide the service as to the specifications stipulated on the Request for Quotation (**QAR-4.03-08**).
- II. The standard of work shall be to the specification indicated on the Request for Quotation (**QAR-4.03-08**) and in the absence of any it is to be to the level of **industry standards**.
- III. Time and cost specifications are to be met as per the Request for Quotation (**QAR-4.03-08**) and its attachments. No extensions or additions are allowed except when approved in writing by Axiom Group Inc. If the completion time is not specified in Request for Quotation (**QAR-4.03-08**), the contractor and Axiom Group Inc must agree upon it in writing.
- IV. All work performed must meet and or exceed both Federal and Provincial Government standards with respect to safety. All electrical work must be inspected and approved by Ontario Hydro. This approval will be required for all work / equipment and automation. All electrical work must be labelled.
- V. Automation / custom machinery must be designed and built with all necessary guards / safety features required in order to ensure safe operation of equipment and operators. When and where applicable, Axiom Group Inc, and or its divisions may require "sign off" of the equipment in order to ensure these requirements are achieved. It is understood that it is the responsibility of the supplier to provide all services, equipment and acceptance criteria (Approvals / Registration) in order to meet the requirements for safety and industry standards acceptance.
- VI. Equipment must be accompanied with all applicable drawings (CAD - IGES format), operation instructions, maintenance instructions, software, spare parts list, and all other work instruction manuals.
- VII. When the work or service is completed the vendor/contractor must notify Axiom Group Inc. and prepare it for inspection. The work/service will be considered complete only when Axiom Group Inc indicates its satisfaction in writing.

Section 2: Tools, Materials, Supplies and Machinery

- I. Except for those indicated in Section 2 of Axiom Group Inc. Obligations, the contractor shall supply at his/her own expense all the tools, materials, and machinery required to satisfy the terms of the contract as indicated in Section 1 of the Vendors/Contractors Obligation.
- II. When work is completed the contractor shall promptly remove his tools, materials, and machinery from the premises of the Axiom Group Inc.
- III. All costs associated with delivery, maintenance, and removal of these tools, materials, supplies, and/or machinery shall be borne by the vendor/contractor.
- IV. Any tools and/or machinery supplied by Axiom Group Inc. shall be maintained by the vendor/contractor at his/her cost while in his/her service. Upon completion of the service/contract the vendor/contractor shall promptly return these tools and/or machinery in a condition satisfactory to the Axiom Group Inc.

Section 3: Contractors Employees Safety and Responsibility

- I. While on the premises of Axiom Group Inc. the contractor and his/her employees shall conduct their work in accordance with all safety standards and without doing any harm to Axiom Group Inc property, employees and/or the environment.
- II. The contractor shall carry the required and sufficient insurance to meet all liabilities arising from item 1 of this section and to keep Axiom Group Inc. safe from any liability arising from his/her work.
- III. Any liability due to damage or injury resulting from the vendor/contractor work shall be born by the vendor/contractor together with any associated legal costs.
- IV. The contractor and or his/her employees shall perform their work without any undue disruption to the operations of Axiom Group Inc.

Section 4: Subcontractors and Work Correction

- I. The vendor/contractor assumes all responsibilities and obligations for any sub contractors hired by him/her. All the obligations of Sections 1,2, and 3 of the Vendors/ Contractors Obligations shall apply as if such subcontractors are the employees of the vendor/contractor.
- II. In the case when the work is deemed not to the satisfaction of Axiom Group Inc., any corrections will be at the expense of the vendor/contractor. Axiom Group Inc. must approve in writing the time required for the completion of this correction and its workmanship quality.
- III. If the work or service is still not to the satisfaction of Axiom Group Inc., Axiom Group Inc may seek the service of another vendor/contractor and all associated costs shall be charged to the original vendor/contractor.
- IV. The cost of time delay in work completion due to work correction or otherwise and which may have caused cost or loss to Axiom Group Inc. will be charged to the vendor/contractor.

Records:

QAR-4.03-08

Request for Quotation