



Standard Purchase Order Terms and Conditions

1.0 INTRODUCTION:

Healthcare Materials Management Services (hereafter referred to as HMMS) with offices located at 188 Stronach Crescent, London, Ontario is a joint venture between the London Health Sciences Centre (LHSC) and St. Joseph's Health Care, London (SJHC), created to integrate and consolidate the functions of Purchasing, Contract Management, Accounts Payable and Inventory Management. HMMS also provides services to other organizations (Affiliates) including other joint ventures of LHSC & SJHC. HMMS has the authority to negotiate and sign contracts on behalf of LHSC, SJHC and Affiliates.

Listed below are the Standard Terms and Conditions, which apply to the purchase of all equipment, goods and services, including the repair or evaluation of medical or non-medical equipment or devices, unless otherwise stipulated in a separate Agreement or amended to the Purchase Order.

2.0 AFFILIATES:

Upon request, prices charged on the Purchase Order may be extended to any current or future Affiliate of HMMS, upon mutual agreement between the Vendor and HMMS.

3.0 ASSIGNMENT/TRANSFER OF PURCHASE ORDER:

The Vendor will not assign nor transfer this Purchase Order in part, or in whole, to any other Vendor, without the express written approval of HMMS.

4.0 AUDIT:

Authorized HMMS employees and their agents have the right to review the records and accounts maintained by the Vendor pertaining to:

- 4.1 Service levels;
- 4.2 The pricing of products and services related to any established pricing formulas;
- 4.3 The pricing of products and services related to agreed benchmarks and/or most favoured customer pricing arrangements; and
- 4.4 Source documents supporting invoices to HMMS.

5.0 CANCELLATION:

HMMS reserves the right to cancel a Purchase Order. Reasons for cancellation can include, but are not limited to, vendor performance, product performance, product quality, product discontinuation, products affected by changes in clinical practices and non-compliance to the Standard Terms and Conditions of the Purchase Order.

6.0 COMPLIANCE WITH LAWS AND REGULATIONS:

- 6.1 All purchases are subject to the laws of the Province of Ontario and Canada and current relevant legislation.
- 6.2 All equipment, goods and services provided by the Vendor to HMMS must comply with and meet all regulatory approvals and be licensed for sale in Canada.
- 6.3 The Vendor must provide all permits, licenses, consents and authorizations necessary to perform its obligations. Failure to do so may result in the cancellation of the Purchase Order.

7.0 CONFIDENTIALITY AND PRIVACY:

7.1 The Terms and Conditions of the Purchase Order are confidential to HMMS and the Vendor, and are not to be disseminated, distributed, or otherwise conveyed to third parties, other than those officials and employees of either party whose duties require knowledge thereof, without the expressed written consent of both parties, except in the pursuit of legal redress in the courts of law or in pursuit of the direction of any legal authority.

7.2 Vendors are required to comply with Ontario's Personal Health Information Protection Act (PHIPA), Canada's Personal Information Protection and Electronic Documents Act (PIPEDA) and the Privacy and Confidentiality Requirements for Suppliers, posted on the HMMS web site at www.hmms.on.ca as well as any privacy and/or confidentiality requirements covered in contracts.

8.0 DELIVERY:

Failure of the Vendor to deliver the goods and/or services in accordance with the specified delivery date(s) listed on the Purchase Order may give cause for HMMS to cancel the Purchase Order without penalty.

9.0 ELECTRIC COMMERCE:

The Vendor agrees to work with HMMS to provide full E-Commerce functionality and connectivity with HMMS to process all business transactions, which will include, but not limited to: purchase order (850), order acknowledgement (855), e-invoice (810), e-catalogue (832) and advance ship notice (856). HMMS prefers to use the Global Healthcare Exchange (GHX) and will work with the Vendor to test and activate this connection. Should the Vendor not currently have any of the above capabilities, the Vendor and HMMS agree to develop strategies and timelines for implementation to the mutual acceptance of both parties.

10.0 ELECTRICAL STANDARDS:

As required by the Ontario Electrical Safety Code all electrical equipment must be marked as certified or approved for its intended use in Ontario or Canada by a certifying organization accredited under the Standards Council of Canada Act. Vendors will be responsible for obtaining the necessary approvals before delivery of the equipment unless written authorization is given by HMMS. Vendors will also be responsible for any costs incurred in obtaining said approvals

11.0 FREIGHT CHARGES:

All orders will be shipped prepaid (without charge to HMMS), F.O.B. HMMS/Hospital site, unless otherwise negotiated.

12.0 FURNISH AND INSTALL:

Any equipment on the Purchase Order will be provided on a Vendor furnish basis. The Vendor will have complete responsibility for the equipment until it is in place and working. Any special installation preparation and requirements must be submitted to HMMS. All transportation and coordination arrangements will be the responsibility of the Vendor. Delivery of equipment will be coordinated so that items will be delivered direct to the installation site or as specified by HMMS.

13.0 INDEMNIFICATION:

13.1 The Vendor shall indemnify and hold harmless HMMS, LHSC, SJHC, and Affiliates, its directors, officers, employees, volunteers and agents from and against all liabilities, claims, demands, losses, costs, expenses, (including reasonable legal fees) or damages, accidents, suits and/or proceedings (hereinafter called claims) occasioned wholly or in part,

13.1.1 by the negligent acts, errors and omissions by the Vendor, its officers, directors, employees, agents or others for whom it is responsible in law, to persons or property arising out of or attributable to the use of the Vendor's equipment, products and/or services by HMMS, LHSC, SJHC and Affiliates. Such claims are attributable to bodily injury, sickness, personal injury, death or damage to or destruction of property; or

13.1.2 as a result of anything done or permitted to be done by the Vendor, its directors, officers, employees, agents or others for which they are responsible by law, or in pursuit of the Purchase Order.

14.0 INSURANCE AND LIABILITY:

- 14.1 Upon issuance of the HMMS Purchase Order, the Vendor shall provide proof of its current Commercial General Liability Insurance Policy and agrees to maintain coverage through the life of the Purchase Order. The Vendor shall carry insurance for not less than \$5,000,000 (inclusive coverage) for bodily injury including death, personal injury, and/or property damage. The policy shall be endorsed to include HMMS, LHSC, SJHC, and Affiliates as additional insureds subject to a cross liability clause, and (30) days notice of cancellation or material change.
- 14.2 Automobile liability insurance in respect of licensed vehicles shall have limits of not less than \$2,000,000 (inclusive per occurrence) for bodily injury, death, and damage to property, covering all licensed vehicles owned or leased by the Vendor/Contractor and endorsed to provide HMMS with not less than (15) days notice in writing in advance of any cancellation, change or amendment restricting the coverage.
- 14.3 The Vendor agrees to provide proof of liability insurance by providing a current valid certificate of insurance to HMMS on an [HMMS Certificate of Insurance Form](#) during the term of the Purchase Order. The electronic version of this form can be found on the HMMS Website at www.hmms.on.ca under Supplier Information, Certificate of Insurance.
- 14.4 The Vendor must advise HMMS immediately of any change in insurance provider or limits of liability. Failure to comply with the insurance requirements will result in the cancellation of the Purchase Order.

15.0 INVOICES:

Unless otherwise stated, direct all invoices for payment to:
Healthcare Materials Management Services
188 Stronach Crescent
London, Ontario
N5V 3A1

16.0 MEDICAL DEVICES:

The Vendor must ensure they obtain, maintain and supply as requested, appropriate license numbers and licenses required by the Therapeutic Products Directorate (T.P.D.) under Health Canada, for the life of the Purchase Order. Vendors are also required to advise HMMS of any changes in status relating to the licensing of any medical devices they sell. Failure to comply with these terms and conditions will result in the cancellation of the Purchase Order without penalty.

17.0 NEWS RELEASE:

The Vendor shall not issue any publicity or news release pertaining to the Purchase Order, without prior written approval from HMMS.

18.0 PAYMENT TERMS:

Payment terms are 2% Net 15 Days, or net 60 days unless otherwise negotiated.

19.0 PRICING:

- 19.1 The Vendor agrees that HMMS will receive the best available pricing based on accounts of similar size and volumes. Failure on the part of the Vendor to address this issue may be considered just cause for cancellation of the Purchase Order.
- 19.2 Unless otherwise stipulated in a separate HMMS Agreement or amended to the Purchase Order, the Vendor agrees to provide HMMS with a minimum sixty (60) days advance written notice of any price increases. HMMS reserves the right to negotiate these price increases to the mutual

acceptance of both parties.

20.0 QUALITY:

- 20.1 All medical and surgical supplies must be HPB/FDA approved for Hospital use.
- 20.2 The Vendor must disclose the latex content of each item on the Purchase Order. If there is a latex free product available, the Vendor must advise HMMS of the alternative product for consideration. HMMS will reserve the right to include or exclude these latex free products in the Purchase Order.
- 20.3 All goods delivered will be inspected and tested by the hospitals as soon as possible after delivery and if found unsatisfactory will be returned to the Vendor for full and immediate credit.

21.0 RESTOCKING CHARGES:

HMMS policy is not to accept restocking charges for equipment or goods returned to the Vendor for any reasons unless otherwise negotiated.

22.0 SHIPMENTS

- 22.1 All items shall be securely and properly packed for shipment according to accepted standard commercial practice, without extra charge for packing materials or containers. The containers will remain the property of HMMS unless otherwise stated. Where materials are shipped in refillable containers which may require a rental charge, this rental charge must be shown separately and not be included in the unit cost of the item.
- 22.2 Current Material Safety Data Sheets (MSDS) must be provided for all products covered by Workplace Hazardous Materials Information Systems Regulations (WHMIS).
- 22.3 Packing slips, in duplicate, must accompany each shipment.
- 22.4 Purchase Order Numbers must be shown on all shipping documents, packing slips, invoices and labels, etc.
- 22.5 Goods must be packaged and transported in accordance with the laws of the Province of Ontario and Canada and current relevant legislation.
- 22.6 All perishable goods must be packaged to withstand 72 hours in transit.
- 22.7 HMMS will not be held liable for consequential costs arising from the improper consignment of goods.
- 22.8 It is the Vendor's responsibility to declare the full value of the order on their carrier's Bill of Lading.

23.0 SHIPMENTS FROM OUTSIDE CANADA:

- 23.1 HMMS Customs Broker is:
 - Livingston International Inc.
 - 212 Metcalfe Street, East
 - Strathroy, ON N7G 1P8
 - Phone: 1-888-338-1270
 - Fax: 1-519-246-9801
 - Email (Team 74): CST49974@livingstonintl.com
 - Website: www.livingstonintl.com
- 23.2 Must be shipped via courier. No postal shipments will be accepted.
- 23.3 All documents must reference the Purchase Order Number, and needs to contain the Harmonization Code (HS Code) for each item on the order.
- 23.4 Commercial documents must accompany all shipments to Canada, to include a fully completed Canada customs invoice or commercial invoice. Mandatory fields include country of origin, currency of sale, price paid or payable, complete description of the goods purchased, consignee, and exporter. For goods of U.S. origin a full completed NAFTA certificate must accompany the shipment, or if a blanket certificate is available, this must be provided (to be held on file). Duty being applied to those goods that would otherwise be duty free under NAFTA may be charged back to the Vendor if the required NAFTA documentation is not provided.
- 23.5 Shipping terms must be indicated on all documents.
- 23.6 Vendor must include their Federal Tax ID # on all documents.
- 23.7 On all documentation for repairs, indicate if the item(s) are under warranty and the value of the repairs.

23.8 In the event that an incorrect description or incomplete or inaccurate description result in an AMP (Administrative Monetary Penalty) being applied by Canada customs, the amount of this penalty may be charged back to the Vendor.

24.0 SITE RULES FOR CONTRACTORS:

24.1 Contractors and sub trades are required to comply with all applicable Federal, Provincial and Municipal Acts and Regulations including, but not limited to; Occupational Health & Safety Act, Workplace Safety and Insurance Act and the Environmental Protection Act.

24.2 In addition, contractors are expected to be familiar with LHSC, SJHC and HMMS Affiliates policies and procedures for Project Safety, Facility Infrastructure and Accountability, Waste Management, Emergency Codes, Infection Control and any other related work requirements that may be given.

24.3 Contractors shall be given a copy of the Site Rules for Contractors, at the preliminary site meeting by the Project Lead, and/or before commencing work. Contractors shall instruct their employees and subs trades on applicable site rules and post a copy at the site office (if applicable) before any work commences.

24.4 Non-compliance with site rules or other mandated policy, procedure, act or regulation is subject to actions, as may be provided for in the contract documents or purchase order, that could lead to stop work orders or other means necessary to correct the deficiency, and as may be determined by the Project Lead.

24.5 The electronic version of these rules can be found on the HMMS Website at www.hmms.on.ca under Supplier Information, Site Rules for Contractors.

25.0 TAXES:

Harmonized Sales Tax (HST) Number is R119183671