



THIS SERVICES AGREEMENT MADE effective as of the 7 day of Nov., 2019.

BETWEEN:

RURAL MUNICIPALITIES OF ALBERTA

A corporation incorporated pursuant to the laws of Alberta

("RMA")

- and -

ARMTEC INC.

A corporation incorporated pursuant to the laws of Canada

("ARMTEC")

WHEREAS:

- A. ARMTEC is engaged in the business of selling Corrugated Steel Pipe (CSP), Guard Rail, Multi-Plate, Bridge-Plate, Bin-Wall, Bridge-in-a-Box, related Products and/or Services.
- B. ARMTEC responded to RFP #AB-2019-04097 for the procurement of Corrugated Steel Culvert Pipe (CSP), Structural Plate and Related Accessories, that closed on July 24, 2019 @ 3:30 pm M.T.
- C. RMA wishes to contract with ARMTEC for the provision of Corrugated Steel Pipe (CSP), Guard Rail, Multi-Plate, Bridge-Plate, Bin-Wall, Bridge-in-a-Box, and related Products and/or Services to RMA Members and represented associations.
- D. The Parties wish to set out the terms and conditions upon which the provision of services will take place.

NOW THEREFORE, in consideration of the mutual premises and the covenants and agreements set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

September 11, 2019

A handwritten signature in blue ink, appearing to be a stylized name or set of initials, located in the bottom right corner of the page.

GENERAL TERMS

RMA and ARMTEC agree to the following:

- A. ARMTEC will provide RMA with the following:
 - a) ARMTEC will provide all Services and/or Products offered by the Supplier to RMA Trade Members. The Services and/or Products of the Supplier shall be performed and/or provided to the specifications and satisfaction of RMA and its members as outlined in the **Supply of Corrugated Steel Culvert Pipe (CSP), Structural Plate, and Related Accessories RFP #AB-2019-04097** and subsequent Supplier submission which shall form part of this agreement.
 - b) ARMTEC shall be available to work with RMA and its representatives during the term of this Agreement for the purposes of performing the Services and/or providing the Products required.
 - c) The parties hereto acknowledge that ARMTEC is an independent Supplier and is not the agent, servant or employee of RMA.
- B. This Agreement will commence per the "Effective Date" of this agreement as stated in section 4.01 subsection (a).
- C. The Administrative Fee is payable to the RMA Trade Division on all Corrugated Steel Pipe (CSP), Guard Rail, Multi-Plate, Bridge-Plate, Bin-Wall, Bridge-in-a-Box, related Products and/or Services exclusive of GST as per section 3.01.
- D. The discount structure is designed exclusively for the RMA Trade Division membership. All discount amounts and commission fees are to be included in the pricing quoted and invoiced to RMA. Unit pricing shall be as per Appendix A, attached to and forming part of this agreement.
- E. The monies owed for all Products and/or Services shall be payable by RMA to ARMTEC;
 - a. in accordance with the attached terms and conditions
 - b. on receipt of the appropriate invoices provided in writing
 - c. following the completion of Services and/or provision of Products.

ARTICLE 1- DEFINITIONS

1.01

Definitions

- (a) "Administrative Fee" means the rate paid to RMA, as per Article 3.01(a);
- (b) "Agreement" means this agreement, and all schedules attached to and forming part of this agreement as from time to time supplemented or amended;
- (c) "Commencement Date" means the first day products and services are provided.
- (d) "Confidential Information" comprises all information, in any form and medium, that ARMTEC and RMA learn from the other concerning the business and affairs of the other, and the price structure of this Agreement. Confidential Information does not include information that is publicly known;
- (e) "Culvert Program" is a discounted price program by ARMTEC for RMA Members, for the provision of Corrugated Steel Pipe (CSP), Guard Rail, Multi-Plate, Bridge-Plate, Bin-Wall, Bridge-in-a-Box, related products and services.
- (f) "Effective Date" means the effective date identified on the first page of this Agreement;
- (g) "Member(s)" means any RMA member as per Article 1 – Definitions, 1.01 (k).
- (h) "Parties" means the company and signing officer to this Agreement.
- (i) "Person" includes an individual, a partnership, a corporation, a trust, an unincorporated association, the government of any country or political subdivision thereof and any agency or division of such government, and any other entity or association.
- (j) "RMA" includes its current and potential Members across Canada including but not limited to represented Associations, Saskatchewan Association of Rural Municipalities ("SARM"), Association of Manitoba Municipalities ("AMM"), Association of Municipalities of Ontario ("AMO"), Municipalities Newfoundland and Labrador ("MNL"), Federation of Prince Edward Island Municipalities ("FPEIM") and their Members and MASH sector agencies. RMA shall be the administrator of this RFP and subsequent Contracts and its Members may include all not for profit agencies for Canadian provinces and Territories and be party to this agreement. Proponent shall identify geographical areas that service and product is available.





ARTICLE 2 – RESPONSIBILITIES

2.01

Scope of Agreement

- (a) RMA agrees to purchase, and ARMTEC agrees to supply, the Services more particularly set out below:
 - (i) ARMTEC will be responsible to facilitate and administer the procurement of all products on behalf of RMA for all Members.
 - (ii) ARMTEC will be responsible to continually provide either the better of "best price" or contracted discount for all product purchases.
 - (iii) ARMTEC will provide an annual business review of sales performance and marketing strategies.
 - (iv) ARMTEC warrants that they are properly qualified, licensed, equipped, and financed to provide Services and/or Products.
 - (v) ARMTEC will be responsible for managing the transition of RMA Members onto the master account. Specifically, this entails coordinating between RMA Members and ARMTEC territories.
 - (vi) ARMTEC to provide a quarterly invoice to RMA, identifying the commissions, and backup calculations as per section 3.01 and 3.02 d.
 - (vii) ARMTEC will communicate directly with membership regarding low stock levels, major discounts, and other time sensitive subject matter.
 - (viii) All reporting to RMA and Members by ARMTEC to be made available through the RMA.
 - (ix) ARMTEC will inform RMA of important developments within the industry
 - (x) ARMTEC will promote the RMA/ARMTEC Culvert procurement program to RMA Members.
 - (xi) All purchases by RMA and RMA Members from ARMTEC for Corrugated Steel Pipe (CSP), Guard Rail, Multi-Plate, Bridge-Plate, Bin-Wall, Bridge-in-a-Box, related Products and/or Services shall be included and administered through this agreement.
 - (xii) ARMTEC shall maintain a minimum of \$5,000,000.00 Commercial Liability Insurance with the RMA Named Insured for the term of the agreement.





- (xiii) ARMTEC shall maintain Workers Compensation Board coverage and maintain their CORE designation for the term of the agreement.

2.02 Responsibility of RMA

- (a) In order to enable the delivery of services described herein, it is the responsibility of RMA to:
 - (i) Market the ARMTEC Culvert procurement program to its membership;
 - (ii) Act as a liaison between ARMTEC and RMA Members to help facilitate obtaining any information required to communicate important information relation to the ARMTEC procurement program
 - (iii) Promptly pay all invoices on behalf of "Members" 30 days of receipt of monthly statement from Armtec.

ARTICLE 3 – ACCOUNTING AND PAYMENT

3.01 Fees and Disbursements

- (a) "Administrative Fee": In consideration of the performance of the Services by RMA for the benefit of all Participating Members, ARMTEC agrees to pay RMA a commission fee as per letter of clarification, dated October 16, 2019 and Form F – Payment Terms, Warranty, Products and Services, Pricing and Delivery, and Industry Specific Questions, per ARMTEC's RFP submission in Appendix A and B. Administrative Fee schedule is found below;

- (b) Expenses
 - (i) ARMTEC is solely responsible for expenses incurred delivering the Products and/or Services.
 - (ii) Only for expenses previously agreed to in writing by RMA, RMA will reimburse ARMTEC upon invoice with proper proof of the expense having been incurred by ARMTEC in performance of services;
- 3.02 Accounting
- (a) ARMTEC will send weekly invoices and monthly statement electronically to the RMA.
 - (b) ARMTEC will insert the Participating Member name into the "ship-to" field on the invoice; and RMA into the "bill-to" field.
 - (c) The person ordering on behalf of Member must provide their RMA member number for electronic entry on the invoice and sign the original when printed.
 - (d) ARMTEC will provide RMA a quarterly report, based on the all sales to Members which will clearly show all supporting amounts, references, appropriate backup and Administrative Fees owing to RMA.
- 3.03 Billings, Payment
- (a) Billings
 - (i) RMA and ARMTEC have predetermined a list of core products for purchase by members as referenced in Appendix A. Products of a similar nature although not specifically identified in the predetermined list of core products shall be included in this agreement.
 - (ii) ARMTEC must provide RMA Members with discounted price agreed upon on Appendix A. ARMTEC shall provide 30 days written notice to request increase/decrease in prices using the RMA VENDOR PRICE AND PRODUCT CHANGE REQUEST FORM found in Appendix A. Price changes shall be based on the baseline for raw material costs identified in the CRU Index for Steel Sheet Products. ARMTEC will not adjust manufacturing costs throughout the duration of the contract.
 - (iii) ARMTEC product pricing will be uploaded in the SAMPLE system for Member ease.
 - (iv) RMA Members will provide ARMTEC advanced notice for large orders or items to be directly shipped to work sites.





(v) ARMTEC will be responsible for paying Administrative Fees on sales that are billed to the RMA but are paid direct by member.

(b) Payment

(i) RMA will promptly pay ARMTEC, within 30 days of receipt of the monthly invoice statement.

3.04 Verification

(a) If the RMA disputes an amount on any invoice from ARMTEC, only the portion in dispute can be held back from ARMTEC and the balance of the invoice will be paid as described in 3.02 above. All formulas and back-up billing detail will be provided to RMA with each invoice.

ARTICLE 4 – TERM AND TERMINATION

4.01 Term

(a) This Agreement comes into effect on the effective date identified on the first page of this Agreement and has an Initial term equal to three (3) years with one (1) two-year extension;

4.02 Termination

(a) Either Party may terminate this Agreement immediately, without notice, if the other Party becomes bankrupt or insolvent, or has a receiver appointed, or commits a material breach of this Agreement which remains un-remedied for a breach capable of remedy, within thirty (30) days of written notice to the party in breach to remedy the matter.

(b) RMA, on written notice to ARMTEC, may reduce the scope of the Services and/or Products provided.

(c) Either Party may terminate this Agreement with 60 days' written notice.

ARTICLE 5 – REPRESENTATION AND WARRANTIES OF SAMPLE

5.01 Execution and Validity of the Agreement, etc.

(a) The entering into of this Agreement and the performance and compliance by RMA and ARMTEC with the terms hereof and the entering into of all transactions contemplated by this Agreement and the performance and compliance with the terms hereof will not:

(i) conflict with, violate or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any contract to which it is a party or by which it is bound;

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- (ii) result in a violation by it of any statute, regulation, order, law, ordinance or restriction of Canada or a province, territory or municipality thereof; or
- (iii) result in a violation by it of any judgment, order or decree of any court or judicial or quasi judicial tribunal having jurisdiction over him or it or his or its property or assets.

ARTICLE 6 – CONFIDENTIALITY

6.01 Confidentiality

- (a) "Confidential Information" comprises all information, in any form and medium, that ARMTEC and RMA learn from the other concerning the business and affairs of the other, not including the price structure of this Agreement. Confidential Information does not include information that is publicly known;
- (b) Neither party shall disclose Confidential Information to third parties, other than on a confidential basis to its employees, directors, advisors and agents who have a need to know as required by law or by any court with jurisdiction. The parties shall inform their respective employees and agents of these obligations and take reasonable steps to ensure their compliance with the confidentiality arrangements hereunder;
- (c) The obligations of Confidentiality hereunder shall apply after the termination of this Agreement for so long as the information in question remains confidential.

ARTICLE 7 – INDEMNIFICATION AND LIMITATION OF LIABILITY

- 7.01 1.01 ARMTEC and RMA shall each indemnify, hold the other harmless from and against any and all claims, losses, costs, damage and expenses of every kind and nature, including legal expenses, in respect of injury to or sickness, disease or death.
- 1.02 Neither ARMTEC nor RMA shall be liable to the other for loss of use, loss of profit, business interruption or any other consequential loss of a similar nature.

ARTICLE 8 – GENERAL

8.01 Governing Law

- (a) This Agreement shall be construed and enforced in accordance with, and the rights of the Parties shall be governed by, the laws of the Province of Alberta, without reference to its choice of law rules. Each of the Parties hereto hereby attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta.





8.02 Notices

- (a) All disclosures, notices or other documents required or permitted to be given pursuant to this Agreement shall be in writing and delivered by registered mail, by hand or courier service or by fax at the following addresses or to such other address as may be provided by notice in writing from time to time:

- (b) To: Rural Municipalities of Alberta
2510 Sparrow Drive

Nisku, Alberta

T9E 8N5

Attention: Dave Dextraze - Manager of Vendor Relations

Telephone: (587) 986-4189

Fax: (780) 955-3615

e-mail: dave@RMAtrade.com

To: ARMTEC Inc.

Attention: Jason Sutton – Sales Director, Western Canada

Telephone: (780) 487-3404

e-mail: jsutton@armtec.com

- (c) Any notice or other document will be deemed to have been given and received:
 - (i) If mailed, on the 7th business day of following the date mailing;
 - (ii) If delivered by hand or by courier, on the first business day of the following the date on which it was delivered; and
 - (iii) If sent by fax or email, on the first business day following the date on which it was sent, provided there is no transmission error report received with respect to the original transmission

8.03 Entire Agreement

- (a) This Agreement, together with the additional agreements and documents referred to herein, constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes all previous agreements and there are no





oral statements, representations, warranties, undertakings or agreements between the Parties modifying the provisions of this Agreement.

8.04 Binding Nature of Agreement and No Assignment

- (a) This Agreement shall ensure to the benefit of and shall be binding upon the Parties hereto together with their respective heirs, legal personal representatives and successors but shall not be assignable by any of the Parties without prior written consent of the other party.

8.05 Amendments

- (a) This Agreement shall not be amended except if in writing and signed by duly authorized representatives of both Parties.

8.06 Provisions Severable

- (a) If any provision of this Agreement is held to be invalid, unenforceable or illegal, such provision shall be deemed to be independent and severable from the remaining provisions of this Agreement and the remaining provisions of this Agreement shall not be affected and shall be valid and enforceable to the full extent permitted by law.



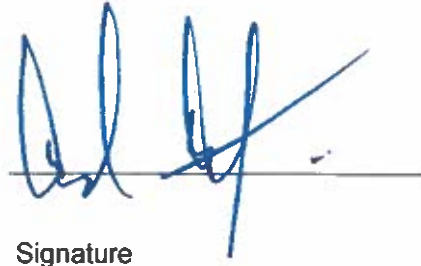


IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year noted below their respective signatures.

RURAL MUNICIPALITIES OF ALBERTA

Dave Dextraze

Manager of Vendor Relations



Signature

Duane Gladden

Director of Aggregated Business Services

Signature

Date Nov 15/19

ARMTEC Inc.

Jason Johnston

Supplier Representative



Signature

Supplier Representative
(name printed)

Signature (Seal)

Date Nov. 7/19