GENERAL PURCHASE ORDER TERMS AND CONDITIONS

SECTION 1: PRIORITY; ENTIRE AGREEMENT AND INTERPRETATION

The “Order” shall consist of the following materials, listed in their order of priority in the event of a conflict: (i) any written change orders to the original, numbered Purchase Order issued by Buyer; (ii) the original, numbered Purchase Order issued by Buyer; (iii) these General Purchase Order Terms and Conditions; (iv) any addenda, exhibits, schedules, or other documents specifically incorporated by Buyer into any written change orders to the original, numbered Purchase Order issued by Buyer; and (v) any addenda, exhibits, schedules, or other documents specifically incorporated by Buyer into the original, numbered Purchase Order issued by Buyer. Seller’s acceptance of the Order is expressly limited to the terms of the Order. Additional or different terms contained in Seller’s acceptance shall not become a part of the Order, unless expressly agreed to in writing and duly executed by an authorized officer (or his/her authorized designee) of Buyer.

The Order constitutes the entire agreement and understanding between Buyer and Seller and supersedes all prior agreements and understandings, whether written or oral, regarding the subject matter of the Order. The language of all parts of the Order shall in all cases be construed as a whole, according to its fair meaning, and not for or against either Buyer or Seller, notwithstanding any statutory or common law provisions which would suggest otherwise.

SECTION 2: GOVERNING LAW AND FORUM SELECTION

The Order shall be interpreted and enforced in accordance with the laws of the state in which Buyer maintains its principal place of business (“Governing State”), regardless of any principles of conflicts of laws or choice of laws of any jurisdiction. In addition to the rights provided herein, regardless of whether goods are being sold, leased, or licensed or whether services are being performed, Seller and Buyer agree that both parties have all of the rights, duties and remedies available under the Uniform Commercial Code as adopted in the Governing State. Any disputes arising under, or in connection with, the Order will be subject to the exclusive jurisdiction of the courts located in the Governing State.

SECTION 3: PRICE

The goods shipped or work performed against the Order shall not be invoiced at a higher price than shown without the express written consent of Buyer. No charges will be allowed for packing, crating, freight, freight surcharges, shipping, shipping insurance, taxes, expedited delivery or cartage, except as expressly provided in the Order. If price is omitted in the Order, the parties agree that the purchase price shall be the lowest prevailing market price charged by Seller.

SECTION 4: TAXES

Except as otherwise expressly provided in the Order, Seller shall be solely responsible for the timely payment of all local, state, and federal taxes and assessments (including, but not limited to, sales, use, and value added taxes) applicable to the goods and services included in the Order or any amounts paid by Buyer to Seller pursuant to the Order. Any taxes paid or reimbursed by Buyer to Seller under the Order shall be timely paid by Seller to the applicable taxing authorities. SELLER SHALL TO THE FULLEST EXTENT PERMITTED BY LAW INDEMNIFY, DEFEND, SAVE, AND HOLD HARMLESS BUYER AND ITS PARENTS, SUBSIDIARIES, AFFILIATES, SUCCESSORS, AND ASSIGNS, AND ALL OF THEIR CURRENT AND FORMER DIRECTORS, OFFICERS, EMPLOYEES, SHAREHOLDERS, INSURERS, ATTORNEYS, AGENTS, AND REPRESENTATIVES (COLLECTIVELY, THE “INDEMNIFIED PARTIES”, AND INDIVIDUALLY, AN “INDEMNIFIED PARTY”), FROM AND AGAINST ANY AND ALL LOSSES, DAMAGES, INJURIES, CLAIMS, DEMANDS, LIABILITIES, EXPENSES, AND OBLIGATIONS, INCLUDING ATTORNEYS’ FEES AND COSTS, (COLLECTIVELY, THE “LOSSES”), AND INDIVIDUALLY, A “LOSS”) RESULTING FROM OR OCCURRING IN CONNECTION WITH THE PAYMENT, NON-PAYMENT, OR IMPOSITION OF ANY SUCH TAXES OR ASSESSMENTS, UNLESS AND TO THE EXTENT BUYER FAILS TO PAY OR REIMBURSE SELLER FOR ANY APPLICABLE TAXES OR ASSESSMENTS REQUIRED TO BE PAID OR REIMBURSED BY BUYER UNDER THE ORDER.

SECTION 5: PAYMENT TERMS

Unless different payment terms appear in the Order, the following payment terms shall apply: (i) Buyer shall have no obligation to pay for any goods or services, until Buyer receives a written, itemized invoice from Seller in a form acceptable to Buyer, but that shall include, at a minimum, (a) the Order number(s), (b) Seller’s legal name and mailing address, (c) the nature of the invoiced charge(s), (d) the total invoiced amount, and (e) such detail as is reasonably necessary to permit Buyer to evaluate the goods received and the services performed, including, but not limited to, the number of hours worked and the applicable hourly rate(s); (ii) if requested by Buyer, Seller shall provide Buyer with supporting documentation in a form acceptable to Buyer for all invoiced goods and services; (iii) Buyer shall pay all verified invoices within thirty (30) calendar days of receipt; and (iv) if Seller fails to object to any payment by Buyer within fifteen (15) calendar days after payment is sent, Seller shall be deemed to have waived any objection to such payment or the adequacy thereof. No invoice may be issued by Seller until Buyer has received and accepted the goods purchased or until Seller has performed the contracted services to Buyer’s reasonable satisfaction.

Modified 8/1/2018
SECTION 6: DELIVERY, PACKING, SHIPPING, AND TECHNICAL MATERIALS

Time is of the essence. Seller shall furnish sufficient labor and management forces, plant, and equipment and shall work such hours (including night shift, overtime, weekend and holiday work, without additional cost to Buyer) as may be required to assure timely delivery and performance.

Unless otherwise expressly stated in the Order, the delivery point for all deliveries under the Order shall be F.O.B. Destination, with the purchase price being inclusive of all international and domestic freight, duties, insurance and other costs, fees, and expenses associated with delivering the ordered goods from their point(s) of origin to the shipping destination.

All delivered goods shall be packed and packaged in accordance with instructions or specifications in the Order or referred to in drawings or specifications for the goods or work hereunder. In the absence of any such instructions or specifications on packing and packaging, Seller shall comply with the best commercial practice for shipments adequate for (i) safe arrival at destination, (ii) storage against adverse weather conditions, and (iii) complying with carrier regulations. A packing list showing purchase order numbers and an itemized description of contents must be included in each package. All shipments against this Order or any other orders to be forwarded on one day via the same mode to one delivery address on one bill of lading or airbill shall be consolidated.

Seller shall deliver all drawings, technical data, instruction manuals, and parts lists that are necessary or desirable to install, use, maintain, consume or dispose of the goods and services furnished in the Order. Instruction manuals shall include: (i) complete installation instructions and, if applicable, nondimensional layouts of any internal system; (ii) complete operating instructions; and (iii) complete maintenance instructions. The parts lists shall contain a complete description of each part; shall include sub-vendors’ names, addresses and complete ordering data on parts not manufactured by Seller; shall list all parts in the quantities recommended to be kept in Buyer’s stock for maintenance purposes for a period of one year’s continuous operation; and shall show a current unit price and normal delivery time for each part.

SECTION 7: INSPECTION AND REJECTION

All goods furnished under the Order will be subject to Buyer’s final inspection and approval at Buyer’s premises within a reasonable time after delivery, irrespective of payment date. Buyer may reject goods not in accordance with the Order terms or Seller’s warranties (expressed or implied). Buyer may return rejected goods to Seller at Seller’s expense and Buyer shall have no further obligation for such goods. Payment for, physical possession by Buyer of, or acknowledgement of receipt of, any goods shall not be deemed acceptance, and in no event shall Buyer incur any liability for payment for rejected goods.

Buyer shall have a reasonable time (not less than thirty (30) calendar days from receipt) to submit claims of count, weight, quantity, loss or damage to delivered goods. Additionally, Buyer may use bar coding to track inventory, and in that case, Buyer will not do a physical count. If Buyer discovers at any time (including after acceptance) that Seller’s bar coding or certified quantities are incorrect, Buyer may reject and submit claims therefor. Buyer will calculate damages on claims and may deduct the amount from Seller’s invoice. If invoice was previously paid, Seller will promptly reimburse the amount of damages to Buyer.

Seller shall assume responsibility for and will pay any and all loss, cost, damage, or expense, including attorneys’ fees and cost of replacement incurred by Buyer, attributed to Buyer’s rejection of goods due to any non-conformity of the goods, packaging, delivery, or any other defect.

Buyer reserves the right to have a representative (either Buyer’s personnel or contracted personnel) in Seller’s facilities to inspect any material covered by the Order at any reasonable time from the start of manufacturing until final shipment of conforming goods.

SECTION 8: TITLE AND RISK OF LOSS

Title to all goods furnished under the Order and the risk of loss or damage shall pass to Buyer at such time as the goods are delivered to the shipping destination. Notwithstanding such delivery, title shall revert to Seller, and Seller shall bear the risk of loss or damage to the goods furnished under the Order, in the event of and from the time Buyer gives notice of rejection or termination of the Order.

SECTION 9: CHANGES

Buyer reserves the right at any time to change, by written notice, any of the following: (i) specifications, drawings, and data incorporated in the Order where the items to be furnished are to be specially manufactured for Buyer; (ii) quantity; (iii) methods of shipment or packaging; (iv) place of delivery; (v) time of delivery; or (vi) any other matters affecting the Order.
If any change by Buyer causes an increase or decrease in the cost of, or the delivery schedule for, the Order, Seller shall make an equitable adjustment in the contract price or delivery schedule, or both. Any claims by Seller for adjustment under this clause shall be deemed waived unless asserted in writing within ten (10) days from Seller’s receipt of the change.

No additions to or modifications of price, delivery method or schedule, quantity, quality, specifications, or any other term of the Order will be effective unless agreed to in writing by Buyer.

SECTION 10: TERMINATION

Buyer may terminate the Order for any reason, in whole or in part, at any time on written notice to Seller. Upon receipt of such termination notice, Seller shall (i) promptly comply with the directions contained in such notice and shall, as required, take action necessary to terminate the work as provided in the notice, minimizing costs and liabilities for the terminated work; (ii) protect, preserve, and deliver in accordance with Buyer’s instructions, any property related to the Order in Seller’s possession; and (iii) continue the performance of any part of the work not terminated by Buyer.

Buyer may also, by written notice to Seller, terminate the whole or any part of the Order for default: (i) if Seller fails to perform its obligations under the Order; or (ii) if, at any time, Buyer has reasonable grounds to believe that Seller will not be able to perform as required by the Order. If Buyer terminates all or part of the Order for default, Buyer may procure, upon terms and in a manner it deems appropriate, goods and services similar to those terminated. In addition, Buyer may require Seller to deliver any completed or uncompleted goods related to the Order by agreeing to pay Seller as specified below.

On termination by Buyer, Seller, at the time of termination, may have in stock or on firm order completed or uncompleted items or raw, semiprocessed or completed materials for use in fulfilling the Order. (i) For completed items or materials, Buyer shall either require delivery of all or part of the completed goods and make payment at the order price, or (without taking delivery) pay Seller the difference, if any, between the order price and the market price (if lower) at the time of termination. (ii) For uncompleted items or raw or semi-processed materials, Buyer shall either require Seller to deliver all or part of such goods at the portion of the order price representing the stage of completion, or pay Seller the amount of the order price representing the stage of completion reduced by the higher of the market or scrap value of the goods at that stage of completion. (iii) For goods which Seller has on firm order, Buyer may, at its option, either take an assignment of Seller’s right under the order or pay the cost, if any, of settling or discharging Seller’s obligation under the order. (iv) If Buyer terminates for default, Seller shall be liable for additional costs, if any, for the purchase of such similar goods and services to cover such default. Payments to Seller hereunder shall be the sole and exclusive remedy available to Seller in the event of a termination by Buyer.

Buyer’s rights and remedies under this Section shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Order.

SECTION 11: ASSIGNMENT; SUBCONTRACTING

Buyer may assign, transfer, or subcontract the Order or any right or obligation set forth in the Order without the consent of Seller. Seller shall not assign, transfer, or subcontract the Order or any right or obligation set forth in the Order without the written consent of Buyer, which may be withheld for any reason. Any unauthorized assignment, transfer, or subcontract shall be void and ineffective. Seller further agrees (i) that all goods and services furnished under the Order by any subcontractor shall be furnished pursuant to and in compliance with all of the terms of the Order, (ii) that Seller shall take all actions necessary to assure that any such subcontractor complies with the terms of the Order, and (iii) that Seller shall be responsible to Buyer for said compliance and all goods and services furnished by such subcontractors as if said compliance or goods and services had been furnished by Seller. Unless legally required to do so, Buyer shall not be obligated to accept performance of the Order from any other party, including the Seller as a debtor in any case under Title 11 of the United States Code.

SECTION 12: EXCUSABLE DELAY

Fires, floods, strikes, lockouts, epidemics, accidents, shortages, or other causes beyond the reasonable control of Seller which prevent Seller from delivering or Buyer from receiving any of the goods and services covered by the Order shall suspend deliveries until the cause is removed, provided Seller promptly informs Buyer of the cause of the excusable delay and the estimated time of the delay, in writing, and subject to Buyer’s right of termination under the Order. If Buyer does not elect to terminate, the goods or services will be promptly delivered when the cause is removed. If the cause for delay is a failure of a part of Seller’s production facilities or a source of supply for Seller, Seller must apportion available production or supplies to provide goods and services required hereunder to Buyer on an equitable basis, and Seller must use good faith efforts to obtain an alternate source of supply.
SECTION 13: NON-DISCLOSURE AND CONFIDENTIALITY

Seller acknowledges and agrees that in the course of performing the work described in the Order and otherwise, Seller may become exposed to proprietary, confidential, sensitive, non-public, or trade secret information concerning the business and operations of Buyer and its affiliates (“Confidential Information”). Seller shall hold Confidential Information in strict confidence and shall not directly or indirectly disclose Confidential Information during the term of the Order or thereafter to any third party or make use of Confidential Information, except (i) as required in performance of the work described in the Order, or (ii) as required by order of any court or similar tribunal or any other governmental body or agency of competent jurisdiction; provided, however, that Seller shall give Buyer prior written notice of any such disclosure and shall cooperate with Buyer if Buyer seeks a protective order or similar protection as Buyer may deem appropriate to preserve the confidential nature of such information. The restrictions contained in this Section are necessary for the protection of the business and goodwill of Buyer and its affiliated entities and are considered by Seller to be reasonable for such purposes. Seller agrees that any breach of this Section will cause Buyer and/or an affiliated entity substantial and irrevocable damage, and therefore, in the event of any such breach, in addition to such other remedies which may be available, Buyer and/or an affiliated entity shall have the right to specific performance and injunctive relief, as well as attorneys’ fees and costs, for enforcing this Section and the Order. Seller agrees to take all necessary steps to ensure that all of its employees and subcontractors who are engaged in the performance of the work described in the Order are aware of this Section and fully comply with the restrictions set forth herein.

SECTION 14: PROPERTY FURNISHED TO SELLER

All special dies, molds, patterns, jigs, fixtures, documents, plans, drawings, specifications, computer programs, records, hardware, files, Confidential Information, and any other property which Buyer furnishes to Seller or specifically pays for, for use in the performance of the Order or otherwise, shall be and remain the sole and exclusive property of Buyer, shall be subject to immediate removal, destruction, or return upon Buyer’s instruction, shall be for Buyer’s exclusive use, shall be held at Seller’s risk, and shall be kept insured by Seller at Seller’s expense while in its custody or control in an amount equal to the replacement cost, with Buyer named as an additional insured and as loss payee under insurance policies written by insurance companies acceptable to Buyer in Buyer’s sole judgment. Seller will furnish copies of policies or certificates of insurance on Buyer’s request.

SECTION 15: INTELLECTUAL PROPERTY RIGHTS

Seller grants Buyer and its affiliates and their respective successors and assigns a nonexclusive, royalty-free, fully paid, irrevocable, perpetual, and transferable license under patents, copyrights, trademarks, and other intellectual property rights now or hereafter owned by or licensed to Seller to use, modify, alter, enhance, change, supplement, replace, repair, upgrade, transfer, sell, or otherwise enjoy the specific goods purchased herein, including, without limitation, all related parts, components, equipment, materials, software, hardware, and systems (including any source code, object code, or other programming code or information). In so doing, Seller represents and warrants that it is lawfully authorized to license or sublicense such rights to Buyer.

SELLER SHALL TO THE FULLEST EXTENT PERMITTED BY LAW INDEMNIFY, DEFEND, SAVE, AND HOLD HARMLESS THE INDEMNIFIED PARTIES FROM AND AGAINST ANY AND ALL LOSSES FOR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER PROPRIETARY DATA OR INTELLECTUAL PROPERTY RIGHTS RELATING TO THE GOODS FURNISHED UNDER THE ORDER OR ANY PART, PROCESS, OR COMPONENT THEREOF. Buyer shall notify Seller in writing of any such Loss and shall cooperate fully in the defense of any such Loss. If the goods furnished under the Order or any part, process, or component thereof are held to infringe, and their use is enjoined, Seller, at its expense, will promptly (i) procure for Buyer and its successors and assigns, the right to continue using the goods, part, process, or component, (ii) replace them with a substantially equivalent non-infringing product, or (iii) modify them so they become non-infringing with substantially equivalent performance. Buyer reserves all its rights, and Buyer may return the infringing goods to Seller at Seller’s expense, and Seller promptly shall refund the purchase price to Buyer.

With respect to any drawings, designs, plans, sketches, diagrams, technical materials, data, parts lists, instruction manuals, and similar documents or electronic materials provided to Buyer that were created or developed by Seller in connection with goods under the Order that were custom or specially manufactured or assembled for Buyer, and without any additional consideration to Seller, Seller grants Buyer and its affiliates and their respective successors and assigns the right to use, copy, alter, modify, enhance, change, or supplement any such materials (including the right to prepare derivative works), directly or indirectly through the use of a third-party, and the right to disseminate any such materials in their original or altered form to third-parties for purposes of modifying, altering, changing, enhancing, repairing, maintaining, or supplementing the applicable custom or specially manufactured or assembled goods furnished by Seller under the Order.

SECTION 16: ENVIRONMENTAL COMPLIANCE
Seller warrants that the products sold or services furnished under the Order have been and will be produced and furnished in full and complete compliance with all present and future applicable environmental laws and regulations, including but not limited to requirements, if applicable, that chemical substances furnished under the Order be reported for the EPA Toxic Substances Control Act inventory. Seller will furnish to Buyer (a) specific instructions for use and disposal of products furnished under the Order in compliance with all such environmental laws and regulations, and (b) upon Buyer’s request, all certificates and forms necessary in Buyer’s judgment to certify compliance with all such environmental laws and regulations.

Prior to the use or delivery of any chemical or hazardous product on Buyer’s property, Seller shall submit a current Material Safety Data Sheet (MSDS) for each such product. Buyer’s purchasing department through the environmental compliance team/working group must approve each product prior to it being brought onto Buyer’s property. Seller shall supply the quantity and timeframe for the product’s use on Buyer’s property. Seller shall use the products only as intended by the manufacturer. Seller will remove all products from Buyer’s property following use of the products. Seller shall not dispose of any products on Buyer’s property, including empty containers of product. Seller shall clean up and properly dispose of any waste generated from spills, leaks, and other occurrences.

Seller must report, pursuant to the Toxic Release Inventory (TRI) reporting requirements of 40 C.F.R., Part 372, the annual calendar year chemical usage of TRI chemicals used by Seller on Buyer’s property. The report must document the number of pounds used on Buyer’s property of TRI chemical or chemical category listed in the TRI chemical list found at 40 C.F.R., Subpart 372.65. This report must be submitted to Buyer’s environmental engineering department on or before February 1st of each calendar year.

The requirements of this Section shall equally apply to any work performed by Seller on property owned, operated, or maintained by an affiliate of Buyer.

SECTION 17: COMPLIANCE WITH LAWS; FEDERAL GOVERNMENT CONTRACT REQUIREMENTS

Seller warrants and agrees that, in the production, sale, delivery, and performance of the goods and services furnished in the Order, Seller has complied with all applicable federal, state, and local laws, rules, and regulations, including, but not limited to, the Fair Labor Standards Act of 1938, as amended, the Occupational Safety and Health Act of 1970, as amended, the Federal Mine Safety and Health Act of 1977, as amended, the Federal Regulations relating to Minority Business Enterprises, the Federal Acquisition Regulations, the Anti-Kickback Act of 1986 [41 U.S.C. § 51 et. seq.], and any law, rule, or regulation pertaining to equal employment opportunity, wage payment, employment discrimination, pension benefits, health benefits, disability benefits, retirement benefits, unemployment compensation, workers’ compensation, health and safety, the environment, mining, labor relations, and the use, possession, sale, and distribution of alcohol and drugs. Insofar as Buyer is or may be subject to (1) Executive Order 11246, as amended, and the regulations, orders, and rules issued thereunder, (2) the Rehabilitation Act of 1973, as amended, and the regulations, orders, and rules issued thereunder, (3) the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended, and the regulations, orders, and rules issued thereunder, or (4) Executive Order 13496, as amended, and the regulations, orders, and rules issued thereunder, such Executive Orders, Acts, and regulations, as well as the relevant clauses listed below, shall be, and hereby are, incorporated herein, as applicable, and Seller, unless otherwise exempt, agrees to furnish to Buyer, upon request, information sufficient to demonstrate compliance with said Executive Orders, Acts, and regulations, as well as the following clauses, as applicable: Equal Opportunity Clauses as Required by 41 CFR 60-1.4(a), 41 CFR 60-300.5(a), and 41 CFR 60-741.5(a). This contractor and subcontractor shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, age, genetic information, protected veteran status or disability. Buyer reserves all rights and abilities that are necessary to its satisfactory compliance with any duties, requirements, obligations, or responsibilities that may exist under applicable law, and Seller agrees to fully cooperate with Buyer in this regard and to provide any supporting documentation that Buyer deems necessary; provided, however, that nothing stated in this Section or the Order shall impose a duty upon Buyer to monitor or ensure Seller’s compliance with applicable law, which shall remain the responsibility of Seller itself. If delivery is to be made within the United States from another country, Seller is responsible for complying with all import and export laws and regulations, obtaining all required governmental approvals and licenses, and the payment of all customs and duties in connection with performance of the Order.

SECTION 18: INDEPENDENT CONTRACTOR

The personnel of Seller used to perform any work under the Order shall at all times be and remain employees of Seller, and the relationship of Seller to Buyer shall be that of independent contractor. Nothing contained in the Order or in any other document that may be executed in connection with the Order shall be deemed or construed to create an employer-employee, master-servant, or agent-principal relationship or partnership or joint venture relationship between Buyer and Seller or between Buyer and any personnel of Seller. Compliance by Seller and any subcontractors with project procedures, specifications, or drawings issued by Buyer shall not affect Seller’s status as an independent contractor and shall not relieve Seller of Seller’s obligations under the Order. Seller may not represent itself to be an agent,
employee, affiliate, or legal representative of Buyer for any purpose whatsoever, and Seller does not have any right, power, privilege, or authority to assume or create any obligation, agreement, or contract, express or implied, for or on behalf of Buyer, or to otherwise bind Buyer in any manner whatsoever.

SECTION 19: WORK ON BUYER’S PREMISES

If Seller’s work under the Order involves operations by Seller on Buyer’s premises, Seller shall perform all work in such a manner so as to cause minimal interruption in Buyer’s business operations, and Seller shall take all necessary steps and precautions throughout the performance of the work to assure a safe workplace and safe working conditions for its employees and subcontractors, as well as for Buyer’s employees, invitees, customers, and other contractors, and to otherwise protect all persons and property from damage or injury. Seller shall at all times keep Buyer’s premises free from the accumulation of waste materials and rubbish due to the performance of any work, and upon completion of the work, Seller shall leave all worksites clean and free of all tools, equipment, waste materials, and rubbish.

Seller acknowledges, understands, and agrees that Buyer’s property and facilities may include active mining/industrial sites and that inherent risks and dangers are involved with its presence at such property and facilities, and Seller hereby assumes all risks of injury to the person and property of the Seller, its employees, subcontractors, agents, and representatives that may be sustained while present at Buyer’s property and facilities. Further, and to the extent applicable as determined at the sole discretion of Buyer, prior to entering any mine property owned, operated, or maintained by Buyer for the performance of the Order or otherwise, all employees, employees of any subcontractors, and other persons associated with Seller shall receive hazard training regarding a non-exhaustive list of certain hazards that might be encountered upon the Buyer’s property and facilities and execute a waiver of liability in the form provided by Buyer.

The requirements of this Section shall equally apply to any work performed by Seller on property owned, operated, or maintained by an affiliate of Buyer.

SECTION 20: INSURANCE

At all times while Seller is on the premises of Buyer or an affiliated company or performing work for Buyer, Seller shall be covered by policies of insurance in forms and amounts as will protect the Indemnified Parties from any Loss which may result, in any way, from any act or omission of Seller, its agents, employees, or subcontractors, and from any claims under applicable workers’ compensation laws or regulations and as otherwise satisfactory to Buyer. Seller shall provide certificates of insurance and endorsements to Buyer evidencing that all insurance coverage required by Buyer is in full force and effect. All insurance obligations of Seller are in addition to Seller’s obligations of indemnity and shall not be construed as limiting Seller’s indemnity obligations to the amount of the insurance coverage.

SECTION 21: MSHA IDENTIFICATION; GOVERNMENT IMPOSITIONS

Before commencing work on any mine property owned, operated, or maintained by Buyer or an affiliated company, Seller shall, and shall cause Seller’s subcontractors to, make applications for and secure an independent contractor identification number from the Mine Safety and Health Administration (“MSHA”) and shall provide that number to Buyer. In addition, Seller agrees and understands that it is fully responsible for any and all training of its employees (and the training of any employees of any subcontractors) that is required by any state or federal agency, including, but not limited to, MSHA, and for annual retraining and records retention attendant thereto. Seller shall be liable for any fines or assessments levied against Seller or Buyer or their respective affiliated companies by any federal, state, or local government agency, including, but not limited to, MSHA, for violations of safety, health, environment and other laws, rules or regulations by employees, agents or subcontractors of Seller or by any employees of Seller’s subcontractors and suppliers. Buyer shall be entitled to withhold payment under the Order in the amount of any assessment, payments or any other cost, including attorneys’ fees, incurred by Buyer or an affiliated company due to any such violations. In the event any assessments are pending, Buyer shall be entitled to withhold final payment until such assessments are fully and finally resolved. Buyer may compromise and settle any claims for fines or assessments without the approval of Seller.

SECTION 22: INDEMNITY AND SETOFF

SELLER SHALL TO THE FULLEST EXTENT PERMITTED BY LAW INDEMNIFY, DEFEND, SAVE, AND HOLD HARMLESS THE INDEMNIFIED PARTIES FROM AND AGAINST ANY AND ALL LOSSES CAUSED BY OR RESULTING FROM (A) THE INTENTIONAL, RECKLESS, OR NEGLIGENT ACTIONS OF SELLER (OR ITS AFFILIATES, EMPLOYEES, AGENTS, SUBCONTRACTORS, OR REPRESENTATIVES), (B) THE NONCOMPLIANCE BY SELLER (OR ITS AFFILIATES, EMPLOYEES, AGENTS, SUBCONTRACTORS, OR REPRESENTATIVES) WITH ANY APPLICABLE FEDERAL, STATE, OR LOCAL LAW, REGULATION, ORDINANCE, OR RULE, (C) ANY DEFECT, WHETHER LATENT OR PATENT, IN THE GOODS OR SERVICES FURNISHED UNDER THE ORDER, (D) ANY CLAIM FOR FAILURE TO WARN OF A DANGEROUS CONDITION ASSOCIATED WITH THE GOODS OR SERVICES FURNISHED UNDER THE ORDER, (E) SELLER’S BREACH OF ITS OBLIGATIONS UNDER THE TERMS OF THE ORDER, OR (F) ANY ACT OR OMISSION OF SELLER (OR ITS AFFILIATES, EMPLOYEES, AGENTS, SUBCONTRACTORS, OR REPRESENTATIVES) IN PERFORMING THE ORDER. Insurance recoveries or policies, warranties, or other obligations of Seller under the Order shall not in any way limit this indemnity. All claims for monies due or to become due
from Buyer shall be subject to deduction by Buyer for any setoff or counterclaim arising out of this Order or any other transaction with Seller or Seller’s affiliates, whether such setoff or counterclaim arose before or after any permitted assignment by Seller or Seller’s affiliates.

SECTION 23: WARRANTIES

By furnishing goods and services under the Order, Seller warrants that the goods and services furnished will be free from defects in materials and workmanship and safe to use, consume or dispose of; will be merchantable and in full conformity with Buyer’s specifications, drawings and data, and Seller’s descriptions, promises or samples; will be fit for the ordinary purposes for which such goods and services are used; will be of fair and average quality within the description in the Order; will be adequately contained, packaged and labeled; will conform to the terms of the Order; will be fit for the Buyer’s intended use, provided Seller has reason to know of such use; and that Seller will convey good title to the goods, free and clear of all liens, claims and encumbrances. These warranties shall survive acceptance of the goods and services and are in addition to any warranties of additional scope given to Buyer by Seller. No implied warranties by Seller are excluded or disclaimed.

SECTION 24: LIMITED LIABILITY

Buyer shall not be liable to Seller for any special, incidental, punitive, exemplary, consequential damages, or lost profits, arising out of or related, in whole or in part, to the goods and services furnished under the Order. This exclusion shall apply regardless of whether the liability arises in tort or contract, at law or equity.

SECTION 25: WAIVER

Unless otherwise stated in the Order, the parties recognize, acknowledge and agree that the failure by either party to enforce any term of the Order shall not constitute a waiver of any rights or deprive either party of the right to insist thereafter upon strict adherence to that or any other term of the Order, nor shall a waiver of any breach of the Order constitute a waiver of any preceding or succeeding breach. No waiver of any of the provisions of the Order, unless expressly stated otherwise in the Order, shall be valid and binding unless it is in writing and signed by the party against whom it is sought to be enforced.

SECTION 26: SEVERABILITY

The Order shall be enforceable to the fullest extent allowed by law. If any provision of the Order shall be found to be null, unlawful, void or inoperative for any reason, such provision shall be struck from the Order and otherwise the Order shall continue in full force and effect.

SECTION 27: NO THIRD PARTY BENEFICIARIES

Except with respect to the rights of any affiliated entity of Buyer to enforce the restrictions contained in the Order that are specifically applicable to

Buyer’s affiliates and the rights of the indemnified Parties, nothing in the Order, express or implied, is intended to or shall confer any rights, remedies, or benefits upon any person, including, without limitation, any affiliates, employees, representatives, contractors, or agents of Seller, other than the parties hereto and their respective successors or permitted assigns.

SECTION 28: HEADINGS

The descriptive headings contained in the Order are included for convenience of reference only and shall not affect in any way the meaning or interpretation of the Order.

SECTION 29: SURVIVAL

Notwithstanding the expiration, termination, or completion of the Order, any duty or obligation which has been incurred and which has not been fully observed, performed, or discharged, and any right, unconditional or conditional, which has been created and has not been fully enjoyed, enforced, or satisfied (including, but not limited to, the duties, obligations and rights, with respect to payment, confidentiality, insurance, warranty, intellectual property, environmental and other regulatory compliance, and indemnification) shall survive such expiration, termination, or completion until such duty or obligation has been fully observed, performed, or discharged and such right has been enforced, enjoyed or satisfied.

SECTION 30: NOTICE
All notices required under the Order shall be in writing and shall be deemed given when delivered by hand or upon confirmed receipt of a facsimile transmission, two (2) days after being deposited with an overnight courier, at the time received by the addressee if communicated through e-mail, or five (5) days after mailing, postage prepaid, by registered or certified mail, return receipt requested.