

## 2 BK SP SUP Terms and Conditions of Purchase Order - North America

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Authorised by: Chief Procurement Officer



### General Terms and Conditions of Purchase Order

For purposes of these terms and conditions, "Buyer" shall mean Bradken, Inc. or Bradken Canada Manufactured Products Ltd, as applicable, and "Seller" shall mean the supplier/vendor listed on the face of this Order.

1. **ACCEPTANCE:** This Purchase Order ("Order") constitutes Buyer's offer to purchase the materials, goods, services and articles (collectively, "Articles") described elsewhere in this Order, in accordance with the terms hereof and any provisions attached hereto and/or incorporated herein by reference (if any). Any reference in this Order to Seller's quotation does not constitute acceptance of any terms and conditions thereof except to the extent specifically agreed to in this Order. This Order may be accepted only by (i) Seller's acceptance of this Order in writing; or (ii) Seller beginning to perform the services set forth on the face of this Order; or (iii) the delivery by the specified delivery date of the Articles ordered on the face of this Order; or (iv) Seller's commencement of work on the Articles that are subject to this Order. Any acceptance of this Order is limited to acceptance of the express terms of the offer contained on the face of this Order, these Terms and Conditions of Purchase Order, and in any other document(s) fully identified on the face of this Order (or in these Terms and Conditions of Purchase Order) and specifically incorporated herein by reference thereto. Any proposal for additional or different terms or any attempt by Seller in Seller's acceptance to vary, to any degree, any of the terms of this offer is hereby objected to and rejected, but such proposals shall not operate as a rejection of this offer unless such variations are in the description of the services, description of the Articles, quantity, price, or delivery schedule of the Articles and/or services but shall be deemed a material alteration thereof and this offer shall be deemed accepted by Seller without such additional or different terms. If this Order shall be deemed by a court or other trier of fact as an acceptance of a prior offer by Seller, such acceptance is limited to acceptance of the express terms contained herein. Any additional or different terms or any attempt by Seller to vary in any degree any of the terms of the Order shall be deemed material and are objected to and rejected. No conditions, custom, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary, explain or supplement these terms and conditions shall be binding unless hereafter made in writing and signed by the party to be bound.

2. **MISTAKES:** Mistakes in prices, discounts, specifications, delivery schedules or other terms and any noticeable discrepancies in quantities or sizes are to be reported immediately by Seller to Buyer and Seller shall immediately remedy such mistakes by refunding incorrect charges to Buyer or correcting such other discrepancies, unless otherwise directed by Buyer.

3. **SHIPPING INSTRUCTIONS:** (a) On date of shipment, Seller shall send the original bill of lading, airbill or express receipt reflecting this order number, one copy of notice of shipment and original and a duplicate invoice to the attention of the department(s) specified on the face hereof. The Supplier must provide all relevant MSDS sheets and certification(s) with each and every shipment. Shipments must also include customs invoices and NAFTA forms for Certificate of Origin. (b) Seller shall not deliver ahead of schedule unless authorized by Buyer's Scheduling or Purchasing departments. Seller shall describe shipments in accordance with carrier's tariffs to obtain the lowest freight rate. Seller shall not insure or declare value on shipments beyond F.O.B. point. When a shipment is subject to freight rates dependent upon value, Seller shall annotate the bill of lading, airbill or express receipt to show that the shipment is released at the maximum value, which applies to the lowest rate provided in applicable tariffs. Seller shall consolidate all shipments to be forwarded on one (1) day. (c) Articles furnished in excess of the quantity specified or in excess of any allowable overage will be retained by Buyer at no additional cost, unless Seller notifies Buyer within 45 days after shipment that it desires the return thereof at Seller's risk. Seller will inform Buyer within 45 days after shipment that it desires the return thereof at Seller's risk. Seller will reimburse Buyer for the full cost of returning such over shipment. (d) Seller must state the Shipping Point on all invoices. Each case, parcel, pallet and accompanying packing list of contents must show Buyer's order number. If no packing list accompanies the shipment, Buyer's count will be conclusive on Seller.

4. **PACKAGING AND SHIPMENT:** Unless otherwise specified, price is to cover net weight of Articles purchased hereunder and no charges will be allowed for transportation, storage, packaging, packing or returnable containers if required. All shipments must be packaged and must conform with Buyer's packaging specifications referred to elsewhere in this Order, if any, so as to permit efficient handling and to provide protection in shipment and if tendered to a common carrier for delivery, must also conform to the packaging requirements applicable to such carrier. Damage to any Articles resulting from improper packaging is the Seller's responsibility and loading will be charged to Seller.

5. **DELIVERY/PERFORMANCE:** Time is of the essence in the delivery of Articles, in the performance of services and in any other performance required of Seller hereunder. Unless otherwise set forth on the face of this Order, Articles shall be shipped F.O.B. Buyer's facility. If Articles are not delivered by the delivery date set forth on the face of this Order, Seller shall pay Buyer the actual damages sustained by Buyer as a result of such delay. In addition to all other rights and remedies available to Buyer (including termination of this Order), Buyer shall have the option to elect to reduce the purchase price set forth on the face of this Order by said amount at the time payment is due to Seller hereunder.

6. **INSPECTION/REJECTION:** All Articles shall be subject to inspection and test at all times and places, including the period of manufacture, by Buyer and, if this Order is placed under a government contract, the government. If any inspection or test is made on Seller's premises, Seller, without additional charge, shall provide all reasonable facilities and assistance for the safety and convenience of Buyer and government inspectors. Such inspections and tests shall be performed in such a manner as not to delay unduly the work. All Articles are also subject to final inspection and acceptance at Buyer's plant. Buyer may inspect and reject all nonconforming Articles and/or services until such Articles and/or services have been accepted by Buyer, without regard to whether payment has been made and without regard to whether the Articles and/or services have been delivered to Buyer, are located on Buyer's property or are being used by Buyer in a manner not inconsistent with Seller's ownership of the Articles and/or services. Buyer may choose, at Seller's risk and expense, to either hold nonconforming Articles pending Seller's instructions or ship them to Seller's address first shown on the face of this Order.

7. **WARRANTY:** Seller expressly represents and warrants that all Articles will strictly conform to all written proposals and descriptions as well as any affirmation or promise relating thereto and to all applicable specification, design, drawings, data, samples or other descriptions (collectively, "Specifications") furnished by Seller and approved by Buyer. If Articles are ordered to Government or Buyer's Specifications, Seller expressly warrants that such Articles will, unless otherwise specified by Buyer in writing, strictly conform to the Specifications as of the date of this Order, and will conform strictly to any affirmation or promise relating thereto and to all applicable Specifications furnished or adopted by Buyer. Seller further represents and warrants that (i) all Articles will be fit and sufficient for the particular purpose intended, (ii) title to all Articles sold and services supplied shall be unencumbered, (iii) all Articles shall be merchantable and shall be new and not refurbished or reconditioned, (iv) all services shall be free from defects in workmanship and shall be rendered in a good and workmanlike manner by skilled personnel qualified in their respective trades, and (v) all Articles will be of highest commercial quality and free from defects in materials and workmanship, free from design defects (if of Seller's design), and will be manufactured and comply in all respects with all applicable standards of the American Standards Association or the Canadian Standards Association and with all applicable laws, orders and regulations of the federal government, each and every state or province government (and all agencies, boards, departments and commissions of each thereof) and of each and every municipality in the USA or Canada. Such warranties shall be in addition to any other warranties, express, implied or statutory, that may apply. All warranties shall survive inspection, test, acceptance, and/or any payment for Articles/services and shall run to Buyer, its successors, assigns and customers and subsequent owners of the Articles or the end products thereof. Except for latent defects, fraud or such gross mistakes of Seller as amount to fraud, notice of any defect or nonconformity must be given by Buyer to Seller within one (1) year after Buyer's acceptance of the Articles/services or one (1) year after receipt of satisfactory qualification test reports, if required hereunder, whichever is later. In addition to all other remedies that Buyer may have under this Order, at law, or in equity, Buyer may, at its option, (a) without notice to Seller retain any defective or nonconforming Article, make necessary repairs thereto and charge Seller for Buyer's cost of repairs including plant overhead at Buyer's standard rate; or (b) (i) return any such Article to Seller for credit at the price charged, or, at Buyer's option, for replacement within a reasonable time, and, at Buyer's option, (ii) cancel any unshipped portion of this Order including or exclusive of the Articles so returned. Return to the Seller of any defective or nonconforming Article and delivery to Buyer of any replacement Article shall be at Seller's risk and expense. Replacement Articles shall be subject to the provisions of this Order in the same manner and to the same extent as Articles originally delivered hereunder. All warranties shall also be construed as conditions. These warranties shall not be deemed waived by either Buyer's receipt or acceptance of, nor payment for, the Articles and/or services delivered hereunder. Such remedies for warranty defect, however, shall be in addition to all other remedies at law or equity.

8. **RELEASE OF NEWS INFORMATION AND ADVERTISING:** Seller shall not, without the prior written consent of Buyer: (a) make any news release, public announcement, denial or confirmation of all or any part of the subject matter of

this Order, or any phase of the program hereunder; or (b) in any manner advertise or publish the fact that Buyer has placed this Order.

9. **INVOICES/AUDIT:** Buyer shall have no obligation to pay for any item until a proper invoice for the item is received at the "Bill To" address shown on the face of this Order. Payment terms commence upon receipt of a proper invoice, and Seller may not send its invoice to Buyer until delivery of the applicable Articles or completion of the applicable services. The invoice should include: (1) a valid purchase order number; (2) Seller's full name, complete mailing address, contact name, and phone number; (3) Seller's remittance address if different than Seller's mailing address; (4) unique invoice number; (5) invoice date, invoice due date, terms of payment and early payment discount percentage and amount (if offered), and payment due date to qualify for the discount; (6) quantity, description, unit price, extended price, all applicable tax and freight, and total invoice amount; (7) supporting detail/documentation as required by Buyer; and (8) lien waivers, as applicable. Only one purchase order number is permitted per invoice. Unless otherwise agreed by Buyer, in writing, payment terms are net sixty (60) days from receipt of proper invoice or receipt of Articles and completed services, whichever occurs later. Seller shall permit Buyer and its auditors to examine, during the term of this Order and for six (6) years after completion of the work performed by Seller, all books, records, supporting documents, files and correspondence of Seller pertaining in any way to the Articles delivered or services performed and the price charged thereon by Seller.

10. **TERMINATION:** Buyer shall have the right to terminate this Order or any part thereof at any time: (a) Without Cause - In case of termination by Buyer of all or any part of this Order without cause and for Buyer's convenience this Order shall be subject to an equitable adjustment for any custom-made goods for which Buyer does not take delivery. Buyer's liability for such goods shall be the lesser of (i) Seller's actual price for raw materials, components, work in progress and any finished units on hand at the time of such cancellation that are attributable to the cancelled portion of this Order; or (ii) the contract price per finished unit, after giving effect to any discount Buyer would otherwise be entitled to, for the cancelled portion of this Order. In the event of cancellation of services, Buyer's liability shall be limited to payment of the contract price for the portion of the services completed as of the date of termination. In no case shall Buyer be liable for Seller's lost profits as a result of such cancellation. Any termination claim must be submitted to Buyer within sixty (60) days, after the effective date of termination. The provisions of this subparagraph shall not limit or affect the right of the Buyer to terminate this Order for cause and shall not apply to a termination for cause; (b) For Cause - Buyer may terminate this Order for cause if Seller fails to make any delivery in accordance with the agreed delivery date or schedule or otherwise fails to observe or comply with any of the other instructions, terms, conditions or warranties applicable to this Order, or fails to make progress so as to endanger performance of this Order, or in the event of any proceedings by or against Seller in bankruptcy or insolvency or appointment of a receiver or trustee or an assignment for the benefit of creditors, or if Buyer otherwise has reasonable grounds of insecurity with respect to Seller's performance and Seller fails to provide adequate assurance of due performance. Buyer may, in addition to any other right or remedy provided by this Order or by law or in equity, terminate all or any part of this Order by written notice to Seller without any liability by Buyer to Seller on account thereof. Buyer may require a financial statement from Seller at any time during the term of this Order for the purpose of determining Seller's financial condition. In the event of termination for cause, in addition to any other rights that Buyer may have under this Agreement, at law or in equity, Seller agrees upon demand by Buyer to deliver the raw materials and work in process acquired to perform under this Order and Buyer may then complete the work deducting the cost of such completion from the price or, in the alternative, pay to the Seller the cost of such raw materials and work in process, or Buyer may produce or purchase or otherwise acquire Articles elsewhere on such terms or in such manner as Buyer may deem appropriate and Seller shall be liable to Buyer for any excess cost or other expenses incurred by Buyer.

11. **INFRINGEMENT/INDEMNITY:** Seller shall defend, indemnify, and hold harmless Buyer, each of Buyer's affiliates, customers and users of the Articles, and each of foregoing's directors, officers, employees, agents, successors, and assigns from and against any and all loss, damage, or liability, including costs and expenses, which may be incurred on account of any suit, claim, judgment or demand, involving infringement, misuse, misappropriation or alleged infringement, misuse, or misappropriation of any patent, trademark, copyright, data rights, trade secrets, or any other intellectual property rights of any third party in the performance, design, manufacture, use, sale, development, delivery, or disposition of any Articles or services supplied hereunder (an "IP Claim"). Buyer shall notify Seller of any suit instituted against it and, to the fullest extent of its ability to do so, shall permit Seller to defend the same (with counsel reasonably acceptable to Buyer) or make settlement on terms acceptable to Buyer in respect thereof. Buyer does not grant indemnity to Seller for infringement of any patent, trademark, copyright or data rights. Without abrogating or otherwise limiting Seller's defense and indemnity obligations, if an IP Claim has been or may be asserted against Seller and/or Buyer due to an Article/service provided hereunder, Seller must, at Seller's expense: (i) procure the right for Buyer to continue using the Article/service; (ii) replace or modify the Article/service to eliminate the alleged infringement while providing substantially equivalent quality and functionality; or (iii) if the performance under subsections (i) and (ii) are not possible and upon Buyer's written consent, refund all amount paid by Buyer for the applicable Article/service.

12. **EXCUSABLE DELAYS:** Neither Buyer nor (unless the Articles were obtainable from other sources in sufficient time to permit due performance) Seller shall be liable for damages for delay or failure in the performance of any of its obligations hereunder out of causes beyond its reasonable control and without its fault or negligence, including, without limitation, any actual or potential labor disputes, provided, however, that such party shall notify the other promptly of the cause and extent of any actual or potential delay, and provided that if any such delay by Seller extends beyond a reasonable time, in any event not to exceed thirty (30) days, Buyer may, at its option, either further extend the time for performance or terminate this Order in whole or in part without penalty or liability of any kind.

13. **ASSIGNMENT, LIENS AND SET-OFF:** Neither this Order nor any rights or obligations herein may be assigned by Seller nor may Seller subcontract the performance of its duties hereunder without, in either case, Buyer's prior written consent. Any consent by Buyer to assignment shall not be deemed to waive Buyer's rights to recoupment and/or set-off claims arising out of this or any other transactions or to settle or adjust matters with Seller without notice to permitted successors and assigns. Seller shall not permit the filing of any mechanic's, materialman's or other lien or claim of any kind against Buyer's lands or improvements on account of labor, materials, fixtures, tools, machinery, equipment or any other thing furnished in connection with this Order. Buyer shall have the right to withhold final payment to Seller until such time as Seller delivers to Buyer lien waivers or releases and proof of payment in such form and at such times as Buyer shall specify. Buyer shall have the right of set off against Seller any amount owed by Buyer to Seller against any amount due or to become due to Buyer or any affiliate from Seller, whether under this Order or under any other agreement between Buyer and Seller, whether now or hereinafter in effect.

14. **CHANGES:** Buyer may at any time, by written notice, make changes in the quantity of Articles, specifications, delivery schedule, methods of shipment and packaging, place of delivery, the services to be performed, or the date of performance of the services. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this Order, whether changed or not changed by any such notice, an equitable adjustment shall be made by Buyer (as determined in Buyer's sole discretion) in the price or delivery schedule or both, and this Order will be modified in writing within thirty (30) days of the receipt of any such notice, provided, however, that Buyer may, in its discretion, receive and act upon any such claim so made at any time prior to final payment under this Order. Nothing in this clause shall excuse Seller from proceeding without delay to perform this Order as changed. No substitutions shall be made without the prior written approval of Buyer. Seller agrees that it will not make any process or manufacturing changes which might affect the performance, characteristics, reliability or life of the Articles or services without prior written approval of Buyer.

15. **INFORMATION:** (a) Designs, drawings, data, ideas, inventions and other technical information supplied by Buyer or otherwise produced or developed through performance of this Order shall be and remain the property of Buyer. (b) Any pre-existing information (prior to the effective date of this Order) which Seller may disclose to Buyer with respect to the design, manufacture, sale or use of the Articles covered by this Order shall be deemed to have been disclosed as part of the consideration for this Order and Seller shall not assert any claim against Buyer by reason of Buyer's use thereof. (c) Seller acknowledges and agrees that all materials produced, developed, created or devised by Seller for performance hereunder, including without limitation, work papers, sketches, drawings, designs, samples, models and all other deliverables (collectively, "Work Product") shall be the sole property of Buyer. Seller expressly acknowledges the parties' agreement that all aspects of the Work Product which may be subject to copyright protection are considered as Works Made For Hire within the meaning of the Copyright Act of 1976 (the "Copyright Act"). In the event and to the extent that the Work Product or any part thereof is found, as a matter of law, not to be a Work Made For Hire under the Copyright Act, Seller assigns to Buyer the sole and exclusive right, title and interest in and to the Work Product without further consideration. Seller agrees to execute any assignments, registrations, certificates or other instruments as Buyer may from time to time deem necessary or desirable to evidence, establish, maintain, perfect, protect, enforce or defend Buyer's ownership in and to any of the foregoing.

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16. **BUYER'S PROPERTY:** (a) All property used by Seller (if any) in connection with this Order which is owned, furnished, charged to or paid for by Buyer including, but not limited to, materials, tools, dies, jigs, molds, patterns, fixtures, equipment, designs, drawings, data, samples and other technical information (and any replacement of any of the foregoing) ("Buyer Materials") shall be and remain the property of Buyer subject to removal and inspection by Buyer at any time without cost or expense to Buyer and Buyer shall have free access to Seller's premises for the purpose of inspecting or removing such property. All such property shall be identified and marked as Buyer's property, used only for this Order and adequately insured by Seller at its expense for Buyer's protection. Seller shall assume all liability for and maintain and repair such property and return the same to Buyer in its original condition, reasonable wear and tear excepted. When such property is no longer required for Seller to perform hereunder, Seller shall furnish Buyer with a list of such property and shall comply with any instructions of Buyer as to the disposition or return thereof. Buyer shall not be obligated to pay any invoices for tooling until the first Article produced therefrom is received and accepted by Buyer. (b) Material furnished by Buyer on other than a charge basis in connection with this Order shall be deemed to be held by Seller as bailee thereof. Seller agrees to pay Buyer's replacement cost for all such materials spoiled or otherwise not satisfactorily accounted for. (c) IF BUYER FURNISHES SELLER ANY BUYER MATERIALS IN CONNECTION WITH THE WORK PROVIDED HEREUNDER, SUCH BUYER MATERIALS SHALL BE FURNISHED "AS IS" AND WITHOUT ANY WARRANTY, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Seller shall have the duty to inspect any such Buyer Materials and the right to reject any such Buyer Materials which are not safe or fit for use in the performance of its services. If Buyer is to prepare or condition the worksite or materials for Seller's performance of its services, such preparation or conditioning shall be done without any warranty of its fitness or suitability for Seller's purposes, and Seller shall have the duty to inspect the worksite and such materials and the right to require additional preparation or conditioning if the worksite or materials are not safe or fit for performance of Seller's services.

17. **GRATUITIES:** Seller warrants that none of its employees, agents or representatives has offered or given any gratuities to Buyer's employees, agents or representatives with a view toward securing this Order or securing favorable treatment with respect thereto. The amount of any such gratuity shall constitute an offset to any amounts payable by Buyer to Seller.

18. **EFFECT OF INVALIDITY:** The invalidity in whole or in part of any provision hereof shall not affect the validity of any other provision.

19. **RIGHTS, REMEDIES, WAIVER AND GOVERNING LAW:** The rights and remedies provided Buyer herein shall be cumulative, to the extent permitted by law, and in addition to any other rights and remedies provided by law or equity. Buyer's failure to enforce any of its rights hereunder shall not constitute a waiver of such rights or any other rights hereunder. This Order shall be governed by and construed in accordance with the laws of the state of Missouri, USA, without regard to its conflicts of laws principles, and, to the extent relating to goods sold hereunder, by the Uniform Commercial Code applicable thereunder. The parties agree that as to any dispute arising under or relating to this Order exclusive jurisdiction and venue shall be in the federal and state courts located in Kansas City, Missouri. The parties mutually acknowledge and agree that they shall not raise in connection therewith, and hereby irrevocably waive, any defenses based upon venue, inconvenience or lack of personal jurisdiction in any action or suit brought in accordance with the foregoing.

20. **DISPUTES:** Any dispute arising under this Order which is not settled by agreement of the parties may be settled by appropriate legal proceedings. Pending any decision, appeal or judgment in such proceedings or the settlement of any dispute arising under this Order, Seller shall proceed diligently with the performance of this Order in accordance with the direction of Buyer.

21. **BUYER APPROVALS AND REVIEWS:** The review or approval by Buyer of any Specifications, work hereunder, or other matter in connection herewith shall not relieve Seller of any of its obligations under this Order nor excuse or constitute a waiver or acceptance of any defects or nonconformities in any Articles furnished under this Order or change, modify or otherwise affect any of the provisions of this Order.

22. **TAXES AND OTHER EXACTION:** Pricing is inclusive of applicable taxes, freight, packaging, insurance, handling and all other charges, whether similar or dissimilar, unless otherwise indicated on the face of this Order. Seller assumes liability for all applicable federal, state, provincial and local taxes except those taxes that Buyer expressly agrees or is expressly required by law to pay. All taxes shall be stated separately on domestic commercial invoices. Seller warrants that prices shall not include any amount in respect of any taxes for which Seller can obtain or Buyer can furnish exemption.

23. **TITLE AND RISK:** Unless otherwise set forth on the face of this Order, with respect to Articles provided hereunder, risk of loss and transfer of title shall pass to Buyer upon delivery at Buyer's facility, provided that in the event any payment is made by Buyer to Seller prior to delivery of the Articles, title to (but not risk of loss) of such Articles shall pass from Seller to Buyer upon such payment during such time the Articles are in the possession or control of Seller, in the proportion that such payment of Buyer bears relation to the total price of the Articles.

24. **GENERAL INDEMNITY:** Seller will defend, indemnify and hold harmless Buyer, Buyer's affiliates, and each of the foregoing's directors, officers, employees, agents, successors, and assigns from and against any and all suits, claims, demands, actions, proceedings, losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and other costs of defending any action) ("Losses") which such parties may sustain or incur (a) in connection with a breach of any representation, warranty, or undertaking made by Seller in this Order or such parties' enforcement of this Order, or (b) in connection with the design, development, manufacture, distribution, sale, use, or repair of the Articles, whether the claim be based upon a theory of breach of contract or warranty, negligence, strict liability, other tort, or any other legal theory, except to the extent caused by the negligence of Buyer, or (c) as a result of any suit, claim, or demand under any environmental, health, safety or other laws, rules, regulations or requirements, in connection with the manufacture, distribution, transportation, storage, use or disposal of the Articles or of raw materials by Seller. If Seller's performance requires Seller, its employees, agents or representatives to perform services or labor in the plants or on the premises of Buyer, its agents, customers, or users, Seller will to defend, indemnify and hold harmless Buyer, Buyer's affiliates, and each of the foregoing's directors, officers, employees, agents, successors, and assigns from and against any and all suits, claims, demands, actions, proceedings, losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and other costs of defending any action) for injury or damage to person or property arising out of such performance, except to the extent caused solely and directly by the negligence of Buyer. Seller agrees that it will, when requested and given reasonable notice of the pendency of any such suits, claims, actions, proceedings, or demands, assume the defense of Buyer, Buyer's affiliates, and each of the foregoing's directors, officers, employees, agents, successors, and assigns against any such suits, claims, actions, proceedings, or demands. Additionally, Seller expressly and specifically waives all immunity that may be afforded Seller under the workers' compensation laws of any state or jurisdiction. Without limiting the indemnification rights and obligations set forth above, Seller shall further defend, indemnify and hold harmless Buyer, Buyer's affiliates, and each of the foregoing's directors, officers, employees, agents, successors, and assigns from and against any and all suits, claims, demands, actions, proceedings, losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and other costs of defending any action) incurred by Buyer as a result of Buyer being required (i) to recall from Buyer's customers or others any Articles or end product thereof and (ii) to repair, replace or refund the purchase price of such Articles or end products, provided that such recall and such repair, replacement or refund is based upon a defect, whether of design or manufacture in the Articles, or the failure of such Articles to conform to any Specifications or standards applicable thereto. In the event that the Articles shall not be the sole cause for such action by Buyer, then Buyer shall apportion its costs, damages and expenses in such manner, as it shall determine as reasonable in its sole judgment. Buyer shall not be required to consult with, or seek Seller's concurrence in the reporting by Buyer to any administrative or regulatory body, of any information which Buyer obtains indicating that the Articles either fail to conform to any standard required by law, or constitute or create themselves or within the end product of which they are a part or component, a situation requiring or notice as defined by the applicable law.

25. **PRICE:** Seller represents, warrants any covenants that (i) the price charged for the Articles is the lowest price charged by Seller to its customers in respect of a sale of Articles of like quality and quantity, (ii) the price of the Articles shall be subject to reduction to any lower price made or offered by Seller from the date of this Order to the date of payment to any other customer in respect of any such sale of Articles, and (iii) the price will comply with all applicable laws and regulations in effect at the time of quotation, sale and delivery of the Articles.

26. **GOVERNMENT CONTRACTS:** If it is indicated on the face of this Order or if Seller is otherwise informed that this Order is placed, directly or indirectly, under a contract with the federal government or any state, provincial or municipal government or any contracting authority thereof, as the case may be, then all terms and conditions required by law, regulations or by such government contract are incorporated herein by reference. To the extent that the terms and conditions of this Order are inconsistent with any such required terms and conditions, then the required terms and conditions shall prevail and be binding on both Buyer and Seller. Seller agrees upon request of Buyer to furnish Buyer with certificate or certificates in such forms as Buyer may require, certifying that the Seller is in compliance with all such terms and conditions as well as any applicable law or regulation.

27. **WORK ON BUYER'S PREMISES:** If Seller's work under this Order involves operations by Seller on the premises of Buyer, Seller shall (i) provide and pay for all materials, labor, tools, water, power and other items necessary to complete

the work, unless expressly stated otherwise on the face of this Order, (ii) take all necessary precautions to prevent the occurrence of any injury to person or property during the progress of such work, and (iii) except to the extent that any such injury is due solely and directly to the negligence of Buyer, defend, indemnify and hold harmless Buyer, each of Buyer's affiliates, customers and users of the Articles, and each of foregoing's directors, officers, employees, agents, successors, and assigns from and against all actions, suits, proceedings, demands, damages, losses, liabilities, costs and expenses (including reasonable attorneys' fees and court costs) which may result in any way from any act or omission of Seller, its agents, employees or subcontractors. Seller shall, while on Buyer's premises, comply with Buyer's rules and regulations, of which

Seller has been provided written notice. Buyer shall have the right to request the removal of any employee of Seller who Buyer reasonably deems to be unsatisfactory. Buyer shall have the right, but not the obligation, to inspect the work to ensure that the terms and provisions of this Order are being complied with by Seller. Seller shall keep Buyer's premises free from accumulation of waste material and rubbish and in full compliance with any applicable law or regulation. Upon the completion of the work, Seller shall remove all rubbish, equipment and surplus materials from Buyer's premises.

28. Bradken Inc and Bradken Canada Manufactured Products Ltd are equal opportunity/affirmative action employers. If applicable, the Seller, in performing the work required by this Order, agrees to comply with the applicable provisions of Executive Order 11246 issued by the President of the United States, September 24, 1965, and the applicable provisions of the Vietnam Era Veterans Readjustment Assistance Act of 1974 and the Rehabilitation Act of 1974, all as amended, and to comply with the Rules and Regulations issued thereunder, As Equal Employment Opportunity and Affirmative Action employers, 41 CFR 60-1.4(a), 60-250.5 and/or 60-300.5, 60-741.5 and 29 CFR Part 471, Appendix A to Subpart A are herein incorporated by reference, if applicable. **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, 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, national origin, protected veteran status or disability.**

29. **INSURANCE COVERAGE:** By accepting this Order, Seller agrees to obtain and maintain in force at its own expense, and furnish to Buyer or Buyer's representative a Certificate of Insurance that reflects the following insurance coverages: (i) Workers' Compensation and Occupational Disease Disability Insurance as required by the laws of the state, province or other jurisdiction where the work is being performed, (ii) Employers' Liability insurance with limits of \$1,000,000 each accident and each employee disease, (iii) Comprehensive Automobile Liability insurance with limits of \$1,000,000 Bodily Injury and Property Damage combined single limit, (iv) Comprehensive General Liability insurance, with per occurrence limit of \$2,000,000, including Operations, Protective, Products/Completed Operations, Broad Form Property Damage and Contractual Liability coverages. All insurance policies must contain an unqualified provision that the insurance carrier will give Buyer thirty (30) days' prior written notice of any cancellation, change or lapse of such policy(s). The automobile and general liability policies shall name Buyer, its parents and/or members, subsidiaries, affiliates and related companies as additional insureds. The workers' compensation and employers' liability policies shall contain a waiver of subrogation by the Seller and its insurance company against the foregoing additional insureds (to the extent permitted by applicable law). The parties hereto acknowledge that Seller's insurance shall be the primary coverage under this Order. Such insurance policies shall be carried by insurers which are authorized to do business in the jurisdictions where services or Articles are provided and which are rated not lower than B+VI in the most recent edition of A.M. Best's Guides.

30. **GENERAL:** Except as specifically indicated otherwise herein, this Order shall not be amended, altered or modified except by a single instrument signed by representatives of Seller and Buyer, which instrument must expressly state that it undertakes to amend, alter or modify this Order. Except as otherwise specifically set forth herein, this Order is the entire agreement between the parties about the Articles and/or services described herein and there are no other written or oral agreements that cover the subject matter of this Order. Further, Buyer objects to and rejects any attempt by Seller to limit Seller's liability under this Order in any manner beyond any limitations as are required by applicable law. Section headings are for convenience only and shall have no legal or interpretive effect. In interpreting this Order, no presumption or inference shall be deemed to arise for or against either party due to the preparation of this document. Any terms of this Order which by their nature are intended to survive the termination or expiration of this Order (including without limitation any warranty, indemnification, audit and confidentiality obligations set forth herein) shall survive such termination or expiration.

31. **COMPLIANCE WITH LAWS:** Seller represents and warrants that all Articles delivered and services performed pursuant to this Order shall comply with all applicable federal, state, provincial, local and tribal laws, rules, regulations, ordinances, treaties and other requirements of federal, state, provincial, local and tribal governments and agencies thereof, including but not limited to safety, labor and environmental laws. Seller shall defend, indemnify and hold harmless Buyer, Buyer's affiliates, and each of the foregoing's directors, officers, employees, agents, successors, and assigns from all penalties, fines, and other charges resulting from violations or alleged violations by Seller, of such laws, rules, regulations, ordinances, treaties and other requirements.

32. **CONFIDENTIALITY/NON-PUBLICITY:** Seller agrees that Seller will keep confidential all information disclosed to Seller by Buyer or any of Buyer's affiliates in connection with this Order and will disclose such information only to those of its employees as will be directly concerned with performance under this Order and who have agreed to keep such information confidential. Seller agrees that it will not disclose such information to any other person or entity, and will not use such information for any purpose other than that contemplated by this Order, without the express, prior written consent of Buyer. Seller agrees that it will protect the confidentiality of Buyer's information with the same degree of care with which it protects its own proprietary information, but with no less than reasonable care, and will return all copies (in any medium recorded) of such information to Buyer immediately upon written request. The parties agree Buyer's information shall be considered commercial secrets qualified for protection under applicable law. Notwithstanding the foregoing, Seller may disclose Buyer's information that must be disclosed to any government, any agency or department thereof, or any stock exchange to the extent required by law, provided Seller shall immediately notify Buyer of such requirement and the terms thereof prior to such disclosure so that Buyer may seek an appropriate protective agreement or order prior to the disclosure. Seller shall not, without the prior written consent of Buyer, use or allow the use of, whether in writing or in oral form, Buyer's name, trademarks, logos, publications, photographs of Buyer's facilities or equipment, or Seller's and Buyer's business relationship in connection with marketing or business activity. Any violation of this provision shall be deemed a material breach of this Order. The obligations under this section will survive termination of this Purchase Order and will remain binding on Seller, its respective affiliates, successors and assigns forever.

33. **BACKGROUND CHECKS; DRUG SCREENING:** Seller shall assign only competent personnel to perform and complete services hereunder, shall maintain strict discipline and good order among those personnel and shall provide proper supervision and direction of their work. Seller shall maintain adequately screened and checked references of Seller's employees that Seller desires to utilize for the services provided under this Order. Such screening shall include, but not be limited to the following: a criminal background check, drug testing and verification of Seller's employees' credentials, work history and reference checks. If, at any time, Buyer determines that the assigned personnel are not performing in accordance with Buyer's reasonable expectation, then upon notification from Buyer, Seller shall meet with Buyer for purposes of addressing and resolving the personnel concerns of Buyer and, upon Buyer's request, shall immediately reassign that person to other work (i.e. work not relating to the services to be provided pursuant to this Purchase Order) and replace that person with a competent person acceptable to Buyer.

34. **LANGUAGE:** The parties confirm that it is their express wish that this Order, as well as any other documents directly or indirectly relating to this Order, including notices, schedules and authorizations, have been and shall be in the English language only. A French translation of this Order may be provided by Buyer in order to facilitate business arrangements between the parties. In the event of any inconsistencies or conflict between any such translation and this Order, the terms of this Order shall govern. Les parties aux présentes confirment leur volonté expresse que cette convention, de même que tous les documents s'y rattachant, y compris tous avis, annexes et autorisations s'y rattachant, soient rédigés en langue anglaise seulement. Une traduction française de ce bon de commande peut être fournie par l'acheteur afin de faciliter les ententes commerciales entre les parties. Dans le cas d'incohérence ou de conflit entre une telle traduction et le présent bon de commande, les modalités du présent bon de commande sont applicables.

35. **IN RELATION TO ACH PAYMENT ENROLLMENT:**

- (i) Supplier agrees to accept payment by Bradken through electronic funds transfer (EFT) and that Bradken can rely on the information provided on Vendor Account Application Form.
- (ii) Payments to Supplier will be deposited into the account designated on the Vendor Account Application Form until Supplier supplies Bradken with an amended Vendor Account Application Form canceling or amending the ACH Payment information. A minimum of twenty banking days will be needed to execute your instructions.
- (iii) Bradken has the right to adjust future payments to Supplier if payments previously made are found to be duplicates, in excess of requirements, fraudulent, in error, or require any other adjustment under the terms of an agreement with Supplier. This may be accomplished by using an ACH debit.
- (iv) Bradken will not be responsible for any loss arising solely from error, mistake, or fraud regarding information on your Vendor Account Application Form.