

## PURCHASE ORDER TERMS AND CONDITIONS

This Purchase Order is subject to the following Terms and Conditions:

1. Compliance with Owner or General Contractor Contract. Vendor agrees to supply all labor, materials, goods and services in strict accordance with the contract documents, which consist of this Labor and Material Purchase Order, the agreement between Hansen-Rice, Inc. and the owner or General Contractor, including all modifications thereto, special conditions, plans, specifications, addenda, amendments and approved change orders whether before or after execution of this Labor and Material Purchase Order (the "Contract Documents"). Vendor further agrees to bind itself to Hansen-Rice, Inc. in the same manner as Hansen-Rice, Inc. is bound to the owner or General Contractor for the performance of that part of the agreement between Hansen-Rice, Inc. and owner or General Contractor which is covered by this Labor and Material Purchase Order, including any liquidated damage provisions contained in the agreement between Hansen-Rice and owner or General Contractor. The Contract Documents constitute the entire and integrated agreement between Hansen-Rice, Inc. and Vendor, and supercede any prior oral or written agreement, negotiation, representation, or modification. Vendor shall be furnished copies of the Contract Documents upon request. Hansen-Rice, Inc. may charge Vendor for the reasonable cost of reproduction of documents requested.
2. Assignment. This purchase order and any part thereof shall not be assigned or performance hereunder delegated or sublet without first obtaining written approval of Hansen-Rice, Inc.
3. Drawings. All drawings, prints, samples, tests, and reports, if and as required shall be supplied by Vendor without charge. Shop drawings shall be numbered, dated, and titled to show the name of the manufacturer or firm producing the drawing, the name of the buyer, the name of the job, and a brief description in the title box of the drawing.
4. Final Payment. Final payment will be made to Vendor after all labor, materials, goods, and services have been supplied by Vendor and upon receipt by Hansen-Rice, Inc. of all drawings, warranties, operations and maintenance information relative to the labor, materials, goods or services supplied.
5. Price. The total price of the labor, materials, goods and services supplied under this Purchase Order includes delivery of all materials, and goods F.O.B. job site and freight prepaid delivered to the location indicated by Hansen-Rice, Inc., unless the purchase order specifies otherwise.
6. Insurance.
  - a. Prior to commencement of the Work, Vendor agrees to furnish Hansen-Rice, Inc. with a certificate of insurance evidencing insurance coverage for workers' compensation, employer's liability, commercial general liability insurance, automobile liability insurance, XCU insurance per paragraph (d) below, professional liability insurance per paragraph (f) below (if design work is to be performed), and such other insurance as may be required by the Contract documents and to provide the necessary insurance documents detailing the terms of the insurance policy required by paragraph (g) of this Article 6. The failure of Hansen-Rice, Inc. to demand any such certificate or insurance

documents, or to identify any deficiency therein shall not be construed as a waiver of Vendor's obligation to maintain the required insurance.

b. Vendor's commercial general liability insurance, as required by Paragraph a, shall be written for not less than the following limits of liability or higher limits as may be required by Contract Documents:

General Liability:

General Aggregate:	\$2,000,000
Products Completed Operations:	\$2,000,000
Personal Injury:	\$1,000,000
Each Occurrence:	\$1,000,000

c. Automobile liability shall include all owned, hired, non-owned and employer's non-ownership contingent liability, if automobiles are used in the performance of the Work under this Purchase Order or as may be driven on the Project site and shall be written for not less than the following limit or a higher limit as may be required by Contract Documents:

\$1,000,000 combined bodily injury and property damage.

d. Vendor shall obtain XCU insurance (explosion, collapse and underground property damage insurance) if Vendor's Work includes any excavation or underground work.

e. Commercial general liability insurance may be arranged under a single policy for the full limits required or by a combination of underlying policies with the balance provided by an excess or umbrella liability policy. Vendor's Commercial General Liability insurance policy shall state that it will be the primary insurance and non-contributory with any other insurance available to Hansen-Rice, Inc. Hansen-Rice, Inc., Owner, General Contractor and other parties designated in the Contract Documents (the "Additional Insureds") shall be additional insureds on all policies of liability insurance including any excess or umbrella policies issued to meet any higher limits if required by Contract Documents. The additional insured coverage shall not be limited in any way, and shall include Vendor's Ongoing and Completed Operations Insurance. Completed Operations Insurance shall be maintained after the project completion date for a period of time equivalent to the statute of limitations in the state in which the work is being done.

f. Vendor shall obtain Professional liability insurance applicable to the Work, required by Paragraph (a), including pollution liability, if Vendor's Work includes design and or engineering, written for not less than \$1,000,000 limit of liability with respect to claims made against Vendor or Hansen-Rice, Inc. For purposes of this Purchase order, non-renewal shall be considered equivalent to cancellation.

g. Vendor shall obtain the following insurance documents evidencing the terms of its Commercial General Liability and Worker's Compensation insurance policies and supply them to Hansen-Rice, Inc. attached to its insurance certificate:

i. Additional insured status of all parties required in paragraph (e) above covering both ongoing and completed operations under the Commercial General Liability insurance policy (the Insurance Services Office endorsement additional insured from number CG 2010 1185 or its equivalent);

ii Vendors ongoing and completed operations Commercial General Liability insurance policy is primary and non-contributory with any other insurance available to Hansen-Rice, Inc.; and

iii. Vendor's Commercial General Liability insurance carrier and its worker's compensation surety waive their rights to subrogation for any amounts they pay on behalf of Vendor related to this project.

h. The foregoing policies shall contain a provision that coverages afforded under the policies will not be canceled until at least (30) thirty days prior written notice of such cancellation or non-renewal has been given to Hansen-Rice, Inc.. For purposes of this agreement, non-renewal shall be considered equivalent to cancellation.

i. Vendor hereby waives all claims against Hansen-Rice, Inc., the Owner, General Contractor, the Architect/Engineer and all of their agents and employees for amounts Vendor or its insurer or its worker's compensation surety pays to any person or entity for any claim arising out of or related to this project.

7. Taxes. Vendor assumes full liability for all taxes, including but not limited to, sales, use, property, social security, unemployment, disability, income, withholding, etc., now or hereafter imposed by federal, state or municipal governments or any subdivisions thereof on account of the labor, materials, goods or services provided by Vendor.

8. Indemnification. Vendor agrees to indemnify and hold harmless Hansen-Rice, Inc., the owner, the General Contractor, the architect/engineer, and all of their agents and employees from and against all claims, damages, losses and expenses, including but not limited to liquidated, actual, and consequential damages, attorney's fees, and fines or penalties imposed by any governmental agency, caused in whole or in part by the materials or goods supplied by Vendor or by any act or omission of Vendor or anyone directly or indirectly employed by it or anyone for whose acts it may be liable regardless of whether it is caused in part by a party indemnified hereunder. In any and all claims against Hansen-Rice, Inc., or any of its agents or employees, by any employee of Vendor, anyone directly or indirectly employed by Vendor or anyone for whose acts Vendor may be liable, this indemnification shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Vendor under workers' compensation acts, disability benefit acts or other employee benefit acts.

9. Patents. Vendor guarantees ownership of all patented devices, processes, materials, and equipment used in performing or filling this Purchase Order, and Vendor shall defend, indemnify and hold harmless Hansen-Rice, Inc., the owner, and General Contractor against all suits, damages, and claims arising from the use of same at any time and shall pay all costs, attorney fees, expenses, and judgments arising out of any such claims, arbitrations or legal actions.

10. Proof of Payment. Vendor shall furnish lien waivers and releases as required by Hansen-Rice, Inc. certifying that payment has been made by Vendor for all labor, materials, goods and services furnished in the performance or filling of this order.

11. Claims. All claims asserted by Vendor under or relating to this Labor and Material Purchase Order shall be subject to all the conditions and restrictions governing claims by Hansen-Rice, Inc. against the owner or General Contractor. In no event shall Hansen-Rice, Inc. be required to pay Vendor more than the total it has received from the owner or General Contractor because of Vendor's claims, less a reasonable amount for Hansen-Rice, Inc.'s overhead and profit and its expenses incurred in recovering the claim. Any claim made by Vendor which in turn is made by Hansen-Rice, Inc. against the owner or General Contractor shall not be deemed to be an admission by Hansen-Rice, Inc. of the validity of the claim, and it shall not be used against Hansen-Rice, Inc. in any manner or proceeding.

12. Modification or Termination. This purchase order shall be subject to termination or variation under the conditions provided for in the Contract Documents, including the agreement between Hansen-Rice, Inc. and owner or General Contractor. This Labor and Material Purchase Order may otherwise be modified or terminated only by writing signed by both Hansen-Rice, Inc. and Vendor.

13. Schedule/Delay. The labor, materials, goods and services required of Vendor herein shall be provided as required by Hansen-Rice, Inc. In the event Vendor delays the progress of Hansen-Rice, Inc.'s work at the project due to late delivery of materials or goods or late provision of labor or services, Vendor shall be liable for all damages arising from or caused by such delay, including all liquidated damages imposed on Hansen-Rice, Inc. by owner or General Contractor on account of such delay.

14. Warranty. Vendor expressly warrants that all labor, materials, goods and services supplied will conform to the applicable drawings, specifications, samples or other descriptions given in all respects; that the goods and materials delivered will be new, of good quality, material, and workmanship, merchantable and free from defects; and the labor and services shall be provided in a good and workmanlike manner free from defects. This warranty shall survive any inspection, delivery, acceptance, or payment by Hansen-Rice, Inc. of the labor, materials, goods and services.

15. Nonconforming Goods. All goods supplied by Vendor which are not in compliance with the specifications hereof or violate any statute, ordinance or administrative order, rule or regulation, may be rejected by Hansen-Rice, Inc. and returned or held at Vendor's expense. Hansen-Rice, Inc. may charge to Vendor all expenses of inspecting, unpacking, examining, repacking, storing, and reshipping any goods rejected. The remedies afforded to Hansen-Rice, Inc. under this paragraph shall not be exclusive, but Hansen-Rice, Inc. may hold Vendor liable for any and all damages arising from any breach or default.

16. Time of Essence. Time is of the essence, and if the labor, materials, goods and services to be supplied under this Labor and Material Purchase Order are not provided as required by Hansen-Rice, Inc. then Hansen-Rice, Inc. may reject such goods and cancel this Labor and Material Purchase Order. The acceptance of late or defective deliveries shall not be deemed a waiver by Hansen-Rice, Inc. of its right to cancel this Labor and Material Purchase Order or to refuse to accept further deliveries.

17. Arbitration. All claims, disputes, and other matters in question arising out of, or relating to, this Labor and Material Purchase Order, or the breach thereof, shall be decided by arbitration pursuant to the Construction Industry Rules of the American Arbitration Association. Such arbitration shall be held before a panel of three arbitrators in Boise, Idaho, and the laws of Idaho shall apply. The fees and expenses of the arbitrator shall be born one half by each of the parties, subject to recovery of such fees and expenses by the prevailing party as set forth in paragraph 18 below.

18. Attorney Fees. The prevailing party in any arbitration or legal proceeding shall be entitled to recovery of its reasonable attorney fees and expenses, including its share of the fees and

expenses of the arbitrator.

19. EQUAL EMPLOYMENT OPPORTUNITY. As a Federal Contractor, Hansen-Rice, Inc. has certain obligations that are incorporated by reference herein including 41 CFR 60-1.4(a), 41 CFR 60-1.4(b), 41 CFR 60-300.5(a), 41 CFR 60-741.5(a), 41 CFR 60-4.3(a), and the provisions of 41 CFR 61-300.10 and 29 CFR 1, 3.5 and Part 471, Appendix A to Subpart A. The Vendor may be a federal subcontractor unless exempted.

20. This purchase order may be signed in counterparts electronically, and such signatures transmitted electronically shall be fully operative and effective as if they were original signatures affixed to the original purchase order.