

# PPL Terms and Conditions

## TERMS AND CONDITIONS

(08-01)

This order is issued by PPL Services Corporation solely in its capacity as agent for each Ship To entity shown herein (the "Company").

1. Routing and carrier shall be as specified within this Purchase Order (PO). If routing and carrier are not specified, Company shall approve the routing and carrier selection prior to shipment. Delivery shall be made Monday through Friday between 8:00 a.m. and 3:00 p.m. unless authorization for alternate arrangements has been granted by Company in advance. All shipments shall contain two copies of a packing list: one securely attached to the outside of the shipping container and one packed with the items inside the container. All shipping containers shall be plainly marked upon at least two sides identifying the shipment with Company's PO number and the Supplier's name and address at a minimum. Unless otherwise specified, the shipment shall be routed from the supplier's closest distribution point to the point of destination.
2. Performance by Supplier shall be undertaken in such a manner and use such resources as may be necessary to fulfill the obligations called for hereunder by the times set forth herein. Supplier may require additional personnel, additions to shifts, overtime, subcontracting, modification to production and test schedules, or taking such other actions as may be appropriate under the circumstances. Supplier shall be responsible for any additional costs or expenses incurred by Company, Supplier, or all other parties by reason of such action(s).
3. Unless specified otherwise herein, title to and risk of loss of any goods procured hereunder shall pass to Company upon delivery to the point of final destination. Notwithstanding the foregoing sentence, if goods are to be installed by Supplier, risk of loss shall pass to Company upon final acceptance.
4. Any warranty, or indemnity, or limitation of liability, expressly set forth herein shall survive completion of performance, expiration of the period of performance or term of this PO, and/or any cancellation or termination hereunder.
5. Unless otherwise shown on the face hereof or a contract underlying the issuance of this order, payment and discount periods shall be based upon the latter of: (a) date of our receipt of correct invoice or; (b) date of conforming delivery and/or performance (as applicable). Do not fail to show the applicable discounts on your invoicing.
6. Supplier warrants that the Work consisting of (a) goods to be delivered hereunder shall comply with any applicable description of work, shall conform to the requirements of this PO, or if type, grade, quality and/or make are not specified, the goods shall be of a type, grade, quality and/or make equal to the highest standards recognized in the industry, unless otherwise expressly specified, shall be new, first class, and free of defects in design, materials, workmanship, and title, and shall be fit for the purpose intended; and (b) services to be performed hereunder shall be performed in a proper and workmanlike manner by technically competent and qualified personnel in accordance with any applicable description of work, shall conform to the requirements of this PO, and unless otherwise specified, meet performance standards generally accepted within the electric utility industry at the time of such performance. In the event that any goods or services do not conform to these warranties during a period beginning upon Company's final acceptance of Supplier's conforming delivery and performance hereunder and ending one (1) year thereafter unless otherwise specified herein, Supplier shall, at no cost or expense to Company, correct any defect or nonconformity and any damage(s) resulting therefrom in a manner and at time acceptable to Company. In the event Company does not require the correction of any defect or nonconformity, Company shall not be invoiced for any goods or services performed unsatisfactorily, and shall be reimbursed within thirty (30) days by Supplier upon demand of Company if an invoice has been previously paid.
7. Supplier shall indemnify, save, defend, and hold harmless Company from and against all losses, liabilities, claims, demands, damages, fees including legal fees, and costs and expenses of whatsoever kind or nature of parties other than Company or Supplier for injuries or damages to persons or property arising out of acts or omissions of Supplier under this PO, whether arising from or relating to acts or omissions solely of Supplier or arising from or relating to acts or omissions of both Supplier and Company. Supplier's obligations under this section shall be reduced to the extent of the fault or negligence of Company.
8. Supplier shall indemnify, save, defend, and hold harmless Company from and against all losses, liabilities, claims, demands, damages, fees including legal fees, and costs and expenses of whatsoever kind or nature arising out of or connected with any infringement or alleged infringement of any patent, copyright, trademark, service mark, trade or business secret, or other intellectual property in connection with Supplier's performance and delivery of the Work hereunder or Company's use thereof.
9. At any time during performance hereof, Company may issue one or more changes to the description of work, quantity, any technical specification or exhibit applicable thereto, and/or any schedule for performance or completion of the Work hereunder. In any such event, the compensation and/or schedule applicable to Supplier's performance hereunder shall be equitably adjusted. No change, amendment or modification of any of the provisions of this PO shall be binding unless in writing and issued by Company's authorized representative or an officer of Company.
10. Supplier is an independent Supplier, and nothing in this PO shall be construed as creating the relationship of principal and agent, or employer and employee, between Company and Supplier or Supplier's employees, agents or subcontractors. Supplier shall have no authority to hire any persons on behalf of Company and any and all persons whom it may employ shall be deemed to be solely the employees of Supplier. Supplier is not authorized and shall not incur any debt, liability or obligation of any nature for or on behalf of, Company.
11. Company shall obtain all ownership rights to the Work, whether or not delivered to Company resulting from Supplier's efforts provided hereunder, free and clear of any and all liens, claims, encumbrances, and rights in favor of Supplier or any third-party. To the extent Supplier retains any such rights, Supplier hereby irrevocably assigns such rights to Company. All Work is hereby deemed "works made for hire".
12. Company shall be entitled to make inquiries regarding progress of the Work and delivery status, and shall have the right of access to Supplier's and any subcontractors' records and facilities during normal business hours for the purpose of expediting and/or inspection. Supplier shall provide proper workspace for Company personnel at no additional cost to Company. Any expediting and/or inspection performed by Company shall not relieve Supplier of its responsibility to meet all requirements set forth herein.
13. Supplier and its subcontractors shall maintain books, records, documents and other information and accounting procedures and practices (hereinafter referred to as Records) sufficient to determine Supplier's and its subcontractors' performance and compliance with the requirements of this PO. Records shall be retained for a minimum of three (3) years after final payment. Company shall have the right of access to all Supplier's and its subcontractors' Records, wherever maintained, during normal business hours, to review, audit and verify Supplier's and its subcontractors' performance and compliance with the requirements of this PO. Supplier and its subcontractors shall cooperate with Company in furnishing such access, Records and assistance as may be reasonably requested by Company. In addition, Company may review and audit Records to verify that Supplier's and its subcontractors did not make payments to or for the personal benefit of employees of Company, its agents and its other contractors. Any adjustment to compensation shown to be appropriate as a result of an audit, at Company's option, may be offset against payments not yet made to Supplier under this PO or any other PO between Supplier and Company, and/or refunded by Supplier to Company, or paid to Supplier by Company.
14. The validity, interpretation, and performance of this PO shall be governed by the laws of the Commonwealth of Pennsylvania, notwithstanding the law of conflicts of laws of Pennsylvania.
15. Supplier represents and warrants that it is now familiar with, or prior to commencing the Work will become familiar with, all federal, state, regional, and local laws, ordinances, regulations, codes, standards, orders and decrees, all amendments thereto, and all rules, rules and orders issued thereunder, which in any manner may affect the conduct of the Work, including, where applicable, those related to environmental matters generally or soil remediation specifically and the Plain English Law of Pennsylvania. Supplier agrees at all times to observe and comply therewith.
16. Supplier shall, unless specifically exempted by law, perform its obligations under this PO in full compliance with all applicable equal employment opportunity requirements including, but not limited to, those relating to equal employment opportunity and non-segregated facilities; those relating to the utilization of minority business enterprises; the Vietnam Era Readjustment Assistance Act of 1974, the Rehabilitation Act of 1973 and other requirements relating to the employment of veterans and handicapped persons; and all amendments thereto and all regulations, rules and orders issued thereunder.
17. Supplier warrants that all goods delivered pursuant to this PO shall conform with all safety standards established and promulgated under the Federal Occupational Safety and Health Act (Public Law 91-956) and the rules, regulations and guides in effect or proposed as of the date of this PO.
18. Supplier shall be responsible for all taxes and duties applicable to equipment, materials, supplies, components, assemblies, other Work in process, or finished goods delivered or to be delivered hereunder, except sales or use tax to the extent applicable in the state and locality of destination.
19. This PO shall be binding on the parties hereto, their successors in interest and assigns. Supplier shall not assign its rights or delegate its duties hereunder to any third party without the prior written consent of Company. Any assignment without the prior written consent of Company shall be null, void and of no force or effect.
20. Supplier shall not subcontract any portion of the Work without the prior written consent of Company. Every subcontract agreement shall include, at a minimum, contractual provisions that preserve and protect the rights and remedies of Company pursuant to this PO, and provide Company with at least equal protection as that provided by this PO. Notwithstanding Company's consent thereto, any subcontracting of this PO, in whole or in part, shall not relieve Supplier of any of its responsibility or liability for the full performance hereof or waive any of Company's rights or remedies hereunder.
21. Supplier shall use its best efforts to assure that Small, Small Disadvantaged and Women Owned Small Business Concerns (SSDWOSBCs) are given equitable opportunity to compete for procurements resulting from this PO. In this regard, Supplier shall comply with the requirements in 48 C.F.R. 52.219-8, which is hereby incorporated by reference. If the total aggregate commitment hereunder exceeds \$500,000, Supplier (unless Supplier is itself a small business concern) shall adopt a plan similar to the plan required in 48 C.F.R. 52.219-9, and shall establish and conduct, or maintain, a program that enables SSDWOSBCs to have equitable opportunities to compete as subcontractors or suppliers for procurements resulting from this PO. In this regard, Supplier shall assure that known SSDWOSBCs are given equitable opportunities to compete for subcontracts, particularly by arranging solicitations for bids and delivery schedules so as to facilitate participation by those entities, maintain records showing procedures which have been adopted to comply with the provisions of this clause, and prepare periodic reports and cooperate in surveys as may be required by the General Services Administration or the Small Business Administration. Supplier agrees to submit reports on Standard Forms 294 or 295 to Company annually with respect to its plan and to provide other certifications and documentation deemed reasonably necessary by Company to show evidence of Supplier's compliance with all State and Federal rules and regulations relating to the use of SSDWOSBCs. Supplier (except small business concerns) shall insert in any subcontract hereunder which may exceed \$500,000, provisions that conform substantially to the language of this clause.
22. Any failure by Company at any time or from time to time, to enforce or demand performance in strict keeping with the terms, conditions, and requirements of this PO shall not constitute a waiver unless in writing and issued by Company's authorized representative.
23. Company may terminate this PO or any portion of the Work, for its convenience at any time by giving a written termination notice to Supplier specifying such termination for convenience. In such event, Supplier shall terminate its work and the work of its subcontractors or suppliers to the extent specified in the written termination notice; assemble and deliver to Company all Work product in a deliverable state to the extent called for by the termination notice; hold for Company's direction or disposition any raw materials or Work in process not in a deliverable state in the manner specified in the termination notice; and be entitled to payment in accordance with the terms of this PO for all Work properly completed and delivered to Company in conforming condition; provided that, if this PO is subject to a fixed price, Supplier shall be entitled to receive the lesser of (a) the fixed price, or (b) the cost of the Work product delivered to Company plus the reasonable cost of termination necessarily and reasonably incurred by Supplier in accordance with Company's termination notice.
24. In the event Supplier should fail to perform properly the Work in any material respect, should assigned key personnel become unavailable for any reason, or should Supplier disregard laws, ordinances, or the instructions of Company, or otherwise be guilty of a violation of any provision of this PO, then Company may, without prejudice to any other right or remedy it may have at law or equity, terminate the PO or the Work of Supplier for default. In such event Supplier shall be paid only for such Work satisfactorily completed prior to termination, not to include termination costs and lost profits. Nothing contained herein shall limit the rights or remedies of Company at law or in equity.
25. All documentation, designs, specifications, data, and other information provided by Company to Supplier or resulting from the performance of Supplier hereunder shall be considered Company Confidential Information. Supplier agrees to use Company Confidential Information only for the performance of Work and it shall not otherwise be used or disclosed before, during, or after the completion of Work without Company's prior written approval. Supplier shall maintain internal policies to protect the confidential nature of Company Confidential Information. Supplier shall take steps to ensure that its employees who receive such Company Confidential Information comply with the requirements of this provision. Unless otherwise directed, Supplier shall deliver to Company all Company Confidential Information, and Company shall have the right to use it for any purposes whatsoever.
26. Supplier shall not disclose any information or make any news release or other public statement regarding the Work or this PO without the prior written consent of Company.
27. If any additional or supplemental terms and conditions are attached hereto, Supplier agrees that its performance of Work shall be governed by such terms and conditions as if fully set forth herein.

ACCEPTANCE OF THIS PURCHASE ORDER BY SUPPLIER IS LIMITED TO THE TERMS AND CONDITIONS HEREIN EXPRESSED