



1. **Claims:** Payment of invoice shall not constitute acceptance of goods or services and shall be without prejudice to claims of Purchaser. Final inspection shall be on the Purchaser's premises unless otherwise agreed in writing. Materials rejected as not conforming to this Order shall be returned to the Seller, freight collect, and the Seller will be debited for the inbound transportation cost and handling expense. Such rejected material shall be deemed to be the property of the Seller.
2. **Discount:** The cash discount period will begin at the time of receipt by Purchaser of a correct invoice, or of the goods to which the invoice relates, whichever is later.
3. **Risk of Loss:** Seller shall bear the risk of loss until delivery at destination, unless otherwise specified.
4. **Warranties:** All merchandise shipped under this order shall be subject to all statutory warranties and express warranties created by acts and statements of the Seller. Any exclusions of such warranties by the Seller shall be as of no effect. If any of the merchandise is found at any time to be defective in material, workmanship or design, or otherwise not in conformity with the requirements of the Order, Purchaser, in addition to any other rights which it may have under warranties or otherwise, shall have the right to reject and return such goods at Seller's expenses. Such goods not to be replaced without suitable written authorization from Purchaser.
5. **Compliance with Laws:** Seller warrants that all goods or services furnished hereunder will comply with all applicable federal and state laws (and with the regulations, orders and standards thereunder) including where applicable, but not limited to, the Fair Labor Standards, the Civil Rights Act of 1964 and the Occupational Safety and Health Act of 1970, and any amendments thereto, and the Seller agrees to give the Purchaser all such compliance certificates, notices and reports as may be either required or otherwise necessary in such connection and to appropriately label all goods supplied under this purchase contract in the manner required by any such applicable legislation regulations, orders or standards.
6. **Indemnification:** Seller insures the performance of any goods sold hereunder and shall indemnify Purchaser against all liability claims, loss, damage and expense, including reasonable attorney fees, sustained or incurred by Purchaser in the investigation, settlement, attempted settlement or defense of any claim arising or alleged to have arisen from the use, performance, nonperformance, sale, or resale of such goods due to any defect in materials, workmanship or design or the infringement or interference or alleged infringement or interference of any patent or pending patent application or failure of the Seller to comply with all applicable federal and state safety and health laws and all orders, regulations and standards issued thereunder, in effect on the date that this order is accepted, including, but not by way of limitation, the Occupational Safety and Health Act of 1970. The phrase "defect in materials, workmanship or design" shall include products failing to meet Consumer Product Safety Standards, if any.
7. If this order requires Seller to perform any services upon property owned or controlled by Purchaser, Seller agrees:
 - a. **Release of Liens:** to furnish to Purchaser, as a condition precedent to final payment, a complete release of all liens, together with a certificate by Seller that the release contains the signatures of all those who performed services or furnished materials under this Order;
 - b. **Hold Harmless:** to indemnify Purchaser and save it harmless against all liability, claims, loss, damage and expense, including reasonable attorney's fees, on account of personal injury (including death) or damage to property arising out of or in any way connected with the performance of this Order whether or not the negligence of Purchaser was a contributing cause of such personal injury or damage;
 - c. **Insurance:** (1) to provide at its sole expense. Workmen's Compensation and Employers Liability Insurance protection for all of its employees engaged in the performance of this contract; and (2) to procure and maintain in force at all times during the performance of this order (a) bodily injury, properly damage, contractual bodily injury and contractors property damage insurance coverage, each having, coverage of \$500,000 each person and \$1,000,000 each occurrence; and (b) automobile liability insurance coverage having minimum amounts of \$250,000, \$500,000 per accident for bodily injury, and \$100,000 per accident for property damage, unless higher amounts are specified by the Purchaser. Certificates evidencing such insurance coverages shall be submitted to Purchaser prior to the commencement of the work hereunder.
8. **Alteration of Terms:** None of the terms and conditions contained in this Purchase Order maybe added to, modified, superseded or otherwise altered except by a written instrument signed by an authorized



representative of Purchaser and delivered by Purchaser to Seller, and each shipment received by Purchaser from Seller shall be deemed to be only upon the terms and conditions contained in this Purchase Order, notwithstanding any terms and conditions that maybe contained in any acknowledgement, invoice or other form of Seller and notwithstanding Purchaser's act of accepting or paying for any shipment, or similar act of Purchaser and/or notwithstanding any course of prior dealings or usage of the trade not incorporated herein.

9. **Changes:** (a) Purchaser may at any time, by a written order, and without notice to the sureties, make changes within the general scope of this Order in any one or more of the following: (i) drawings, designs or specifications; (ii) method of shipment or packing; (iii) quantities of articles to be furnished; (iv) place of delivery, and (v) delivery schedules. 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 order, an equitable adjustment shall be made in the price or delivery schedule, or both, and the Order shall be modified in writing accordingly. Any claim by Seller for adjustment under this clause must be asserted in writing within thirty (30) days from the date of receipt by seller of the notification of change, provided, however, that Purchaser, if it decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this Order. However, nothing in this clause shall excuse Seller from proceeding with this Order as changed.
- (b) Purchaser's engineering, technical and other personnel may from time to time render assistance or give technical advice to, or exchange information with, Seller's personnel concerning this Order or the articles or services to be furnished hereunder. However, such assistance, advice, statements or exchange of information shall not constitute a waiver with respect to any of Seller's obligations or Purchaser's rights hereunder or be authority for any change in the articles or services called for hereunder. Any such waiver or change to be valid and binding upon Purchaser must be in writing and signed by an authorized representative of Purchaser's Purchasing Department. In case of any doubt, Seller should promptly consult Purchaser's Purchasing Department for further instructions.
- (c) In connection with any claim for adjustment under this clause, Seller shall submit cost data in such form and detail as may reasonably be required by Purchaser. If this Order relates to a prime contract with the U.S. Government, Seller shall, upon Purchaser's request, submit a Certificate of Current Cost or Pricing Data, in substantially the form set forth in the Federal Acquisition Regulation and/or the Department of Defense Supplement thereto with respect to such data and EEO certifications.
- (d) Where the cost of property made obsolete or excess as a result of a change is included in Seller's claim or adjustment pursuant to this clause, Purchaser shall have the right to prescribe the manner of disposition of such property.
10. **Recall:** Seller agrees to protect, defend, hold harmless and indemnify Purchaser from and against any and all claims, actions, liabilities, losses, costs and expenses arising out of any recall of Purchaser's products caused by Seller's goods required by Seller, Purchaser or the Consumer Product Safety Commission or other governmental agency or authority.
11. **Deliveries:** Purchaser's production schedules are based upon the agreement that materials will be delivered to Purchaser, or services performed for Purchaser, by the date specified on the face of the Order. Time is therefore of the essence of this Order. If Seller fails to make deliveries or perform the services at the time agreed upon, or performs the work hereunder in such a fashion as endangers its ability to make timely deliveries or to render timely performance of services, Purchaser reserves the right to cancel, purchase elsewhere, and hold Seller accountable to any additional costs, incidental damages or consequential damages incurred by Purchaser.
12. **Quantities:** Shipments must equal exact amounts ordered unless otherwise agreed by Purchaser.
13. **Purchaser's Property:** All material including tools, furnished or specifically paid for by Purchaser shall be the property of Purchaser, shall be subject to removal at any time without additional cost upon demand by Purchaser, shall be used only in filling orders from Purchaser, shall be kept separate from other materials or tools and shall be clearly identified as the property of Purchaser. Seller assumes all liability for loss or damage, with the exception of normal wear or tear, and agrees to supply detailed statements of inventory upon request of Purchaser.
14. **General Shipping Instructions:** For shipments made FOB shipping point: (a) All shipments moving in one day to the same location via the same carrier should be consolidated in one bill of lading.



- (b) Unless otherwise specifically instructed, shipments via limited liability carriers (Air Freight, UPS, etc.) and those subject to released value ratings shall be declared at the value which will secure the lowest transportation charge.
 - (c) Any losses resulting from deviation from Purchasers routing instructions will be charged to Sellers account.
15. **Proof of Shipment:** Seller shall forward to Purchaser with the invoice, the express receipt or bill of lading, signed by the carrier evidencing the fact that the shipment has been made. Seller shall receive and retain a mailing receipt for uninsured parcel post.
 16. **Supplementary Information:** Any specifications, drawings, notes, instructions, engineering notices, or technical data referenced to in this Order shall be deemed to be incorporated herein by reference as if fully set forth. In case of any discrepancies or questions, refer to Purchasers Purchasing Department for decision or instructions or for interpretation.
 17. **Title to Drawings and Specifications:** Purchaser shall at all times have title to all drawings and specifications furnished by Purchaser to Seller and intended for use in connection with this Purchase Order. Seller shall use such drawings and specifications only in connection with this order and shall not disclose such drawings and specifications to any person, firm or corporation other than Purchaser's or Seller's employees, subcontractors or Government inspectors. The Seller shall, upon Purchaser's request or upon completion of the Order, promptly return all drawings and specifications to Purchaser.
 18. **Information Disclosed:** Unless otherwise expressly provided in this Order or otherwise expressly agreed to in writing by Purchaser, no information or knowledge, heretofore or hereafter disclosed to Purchaser, in the performance of or in connection with this Order, shall be deemed to be confidential or proprietary, and any such information or knowledge shall be free from any restrictions (other than a claim for patent infringement) as part of the consideration for this Order.
 19. **Publicity, Promotion or Advertising:** Seller shall not, without Purchaser's prior written consent, issue any news release, advertisement, publicity or promotional material regarding this Order (including denial or confirmation thereof).
 20. **Government Contracts:** If this Order is a subcontract under a Government Contract, Seller agrees that all terms and conditions required by law, including, by way of illustration and not limitation, the pertinent provisions of the Federal Acquisition Regulation and the Department of Defense Supplement, thereto are incorporated herein and are deemed to be part hereof.

Specifically, if this Order is a subcontract under a Government Contract and the subcontract amount meets the required threshold amount and Seller is not otherwise exempted by the regulations, Seller agrees that the following contract clauses in effect on the Order date are incorporated by reference with the same force and effect as if they were given full text: (1) Executive Order 11246 equal opportunity clause as set forth in 41 CFR 60-1.4(a); (2) Vietnam Era Veterans' Readjustment Act of 1974, as amended ("VEVAAA"), equal opportunity clauses as set forth in 41 CFR 60-250.5 and 41 CFA 60-300.5; (3) Section 503 of the Rehabilitation Act of 1973, as amended, equal opportunity clause as set forth in 41 CFR 60-741.5; and (4) Executive Order 13496 of January 30, 2009, employee notice clause as set forth in 29 CFR Part 471, Appendix A to Subpart A.
 21. **Access for Quality Audits:** The Seller agrees to give access to the Producer's and/or Seller's for the purpose of a quality audit by Purchaser's designated Auditors.
 22. **Applicable Law:** This Order shall be construed to be between merchants and all questions arising in connection with this Order or the acceptance or confirmation thereof or the purchase of goods or services covered thereby shall be resolved in accordance with the laws of the state shown in Purchaser's address on the face of this Order.
 23. Supplier shall allow Cannon-Muskegon, its customers and regulatory agencies right of entry to verify the quality of work, records and material associated with this purchase order at any level in the supply chain.
 24. Seller agrees that it will make no changes or modifications in the manufacture or in any processing operation, raw material, facilities, Inspection / test plans or packaging methods and materials involving or affecting the Supplies without the prior written approval of Cannon-Muskegon.
 25. **Records:** Supplier shall maintain and retain complete and accurate records for a minimum of 5 yrs.



Supplier shall ensure that these records are protected from destruction or damage. During year Six (6), or later, the Supplier shall contact Cannon-Muskegon prior to final disposition (destruction) of any Cannon-Muskegon related documents, to ask if the Supplier can transfer the documents to Cannon-Muskegon's ownership, or that the Supplier is allowed in writing from Cannon-Muskegon to dispose of the documents. In the event the business relationship is terminated, the Supplier agrees to maintain and provide Cannon-Muskegon access to the appropriate history records, or the Supplier shall immediately transfer ownership of the history records to Cannon-Muskegon. In the event the business relationship is terminated, due to the dissolution of the Supplier's business, the Supplier agrees to immediately transfer ownership of the history records to Cannon-Muskegon.

26. **Non-Conforming Material:** Non-conforming material will need Cannon Muskegon disposition prior to shipment. In the event non-conforming product is shipped, the supplier will notify CannonMuskegon within 48 hrs.
27. **Certification:** Supplier of calibration services must be certified to a system meeting ISO 17025 by an accredited third-party body.
28. Before shipping any non-conforming product, supplier must obtain written approval from Cannon-Muskegon.
29. **Requirement flow down:** If the supplier uses any sub-tiers, the supplier shall flow down any Cannon-Muskegon, and any of Cannon-Muskegon's customer's requirements, as applicable.
30. **Compliance with Laws; U.S. Export Controls:** In performing work under this Order, Seller and its subcontractors will comply with all applicable federal, state, and local laws, and the rules and regulations of any governmental authority, and specifically the "Deemed Export" rule part 734.2(b)(2)(ii) of the Export Administration Regulations (EAR). This includes strict compliance with all applicable export control laws and regulations of the United States and all applicable trade regulations under U.S., foreign or other relevant jurisdictions. Buyer reserves the right to cancel any Order without penalty or liability to Buyer in the event Seller's performance under this Order does not comply with such laws, rules and regulations. Seller will defend, indemnify and hold Buyer harmless for any non-compliance by Seller or its subcontractors.
31. **Code of conduct:** Seller/supplier commit to follow the requirements in the PCC Code of Conduct, Conflict Materials, the PCC Supplier Integrity Guide, and the Slavery and Human Trafficking Statement. These documents are available under the Public Relation tab at the PCC website <http://www.precast.com/investors/>. Supplier will ensure that employees and people working on its behalf are aware of 1) their contribution to product or service conformity, 2) their contribution to product safety, and 3) the importance of ethical behavior. Direct questions regarding these policies to quality@canmkg.com via the Contact Us link.
32. Supplier shall commit to have:
 - an effective management for quality which is clearly prescribed.
 - adequately calibrated and/or verified equipment.
 - an active and auditable training and competence development program for all involved personnel.
 - a program for statistical control developed and implemented. Statistical methods, planning, analysis, tests, and quality control procedures may be used whenever such procedures are suitable to maintain the required control of quality. The purchaser reserves the right to review such procedures and approve or disapprove where reasonable concern for the assurance of quality is given.
33. Seller and its subcontractors will comply with all mandatory flow down clauses, whether pursuant to a U.S. government contract or otherwise, applicable to Buyer for Goods that are the subject of this Order.
34. **Counterfeit Parts/Material:** Seller shall comply with AS6174 as required.
35. Any interaction/questions should be made through your Cannon Muskegon purchasing contact.
36. **Supplier Performance Reviews:** Active and approved organizations that supply critical product, materials, and services that directly influence the quality of Cannon Muskegon manufactured



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products are subject to periodic performance reviews. Organizations with less than adequate performance will be required to take immediate corrective and preventive actions.

37. RMS 1003 General Requirements applies for Vacuum Melt Materials. ARMS 1006 General Requirement applies for Air Melt Materials.