

## TERMS AND CONDITIONS FOR "PURCHASE ORDER-GOODS"

1. **Acceptance:** Any of the following acts by Seller shall constitute acceptance of this Order and all of its terms and conditions: (i) signing and returning a copy of this Order, (ii) delivery of any items ordered, (iii) Seller's commencement of performance. Any term of condition stated by the Seller shall not be binding of the Buyer unless specifically accepted in writing.
2. **Price:** Seller shall furnish the items stated on this Order in accord with the price, delivery and terms stated on its face. All prices include all applicable taxes required by law to be paid by Seller.
3. **Quantities:** The quantity ordered must be delivered in full. Any unauthorized quantity is subject to rejection and return at Seller's expense.
4. **Inspection:** All goods shall be received subject to Buyer's right of inspection and rejection. Defective goods or goods not in accordance with Buyer's specifications will be held for Seller, at Seller's risk, and if Seller so directs, will be returned at Seller's expense. If inspection discloses that part of the goods received are not in accordance with Buyer's specifications, Buyer shall have the right to cancel any unshipped portion of this Order. Payment for goods on this Order prior to inspection shall not constitute acceptance thereof and is without prejudice to any and all claims that Buyer may have against Seller.
5. **Warranty:** Seller warrants that the merchandise sold by Seller to Buyer hereunder will be of merchantable quality; will conform to applicable specifications, drawings or descriptions furnished by Buyer; will be free from defects in material and workmanship; and will be sufficient and fit for the purposes intended by Buyer. Buyer's approval of design furnished by Seller shall not relieve Seller of its obligations under this paragraph. The warranties of Seller, together with its service guarantees, shall run to Buyer and its divisions, subsidiaries and affiliates.
6. **Cancellation:** Buyer reserves the right to cancel all or any part of the undelivered portion of this Order if Seller does not make deliveries as specified, time being of the essence of this contract, or if Seller breaches any of the terms hereof, including, with limitation, the warranties of Seller.
7. **Delays in Delivery:** Seller will not be liable for delays in delivery due to force majeure. However, in such event Buyer at its option, may either approve a revised delivery schedule or terminate the Order either in whole or in part without liability.
8. **Indemnification:** Seller shall indemnify and hold Buyer harmless against any and all losses, claims or actions for personal injury or property damage caused by items furnished or services performed by Seller pursuant to this Order.
9. **Applicable Laws:** Seller warrants that the merchandise covered by this Order was not manufactured, sold or priced in violation of any applicable law, and that goods shipped under this Order will be produced in compliance with the Fair Labor Standards Act.
10. **Assignment:** This contract may not be assigned without Buyer's written consent.
11. **Patents:** Seller, its heirs, successors, assigns and legal representatives, shall forever protect, indemnify and save harmless the Buyer, its agents, divisions, subsidiaries and affiliates, against all claims, suits, judgments, court costs, attorney's fees and other liabilities, demands or losses in any manner arising out of alleged infringement of any patent copyright or trademark rights because of their possession, use or sale of the subject matter to which this agreement relates, provided that Seller shall be promptly notified of the bringing of said suits. Seller shall have the right to be represented in the defense thereof by counsel of its own selection and at its own expense.
12. **Title:** Title shall remain with Seller until delivery and actual acceptance thereof by Buyer.
13. **Packing and Shipping:** Seller shall not charge for packaging, storage or transportation to F.O.B. point. Goods shall be packaged, marked and prepared in accord with good commercial practices and marked and labeled as required by applicable laws and regulations. Itemized packing list must accompany each shipment.
14. **Proprietary Information:** All written information obtained by Seller from Buyer in connection with this Order and which is identified as proprietary is received in confidence and shall remain property of Buyer and shall be used and disclosed by Seller only to the extent necessary for Seller's performance.
15. **Liens/Waivers:** Seller shall furnish at Buyer's request waivers by Seller and all other persons entitled to assert any lien rights in connection with the performance of this Order.

## TERMS AND CONDITIONS FOR "PURCHASE ORDER-SERVICES"

1. **Offer and Acceptance:** This Purchase Order constitutes Owner's offer to Contractor and becomes a binding contract, to be governed by the laws of Kansas, on the terms set forth herein, when accepted by Contractor by acknowledgement or commencement of performance of the work. No revision of this Order shall be valid unless in writing and signed by Owner, and no condition stated by Contractor in acceptance or acknowledging this Order shall be binding if inconsistent with or in addition to the terms and conditions herein.
2. **Changes in Work:** Changes in the scope of work and compensation described in this Order shall be made only upon the issuance by Owner of a Purchase Order revision.
3. **Independent Contractor:** This is a contract for services by Contractor as an independent contractor and not a contract of employment. While Owner may indicate the scope and scheduling of work hereunder, the manner and means of accomplishing such work are entirely under the direction and control of Contractor. All work done hereunder shall be performed by employees of Contractor or his or her subcontractor and their employees. Under no condition are persons doing work hereunder to be considered as employees of Owner.
4. **Compensation:** Contractor's compensation for work to be performed shall be fixed unit prices or the method of computing compensation shall appear on the face of this Order.
5. **Payment:** The manner, amount and time of payment shall be as stated on this Order. Where work continues for more than 30 days, Contractor shall furnish Owner on the first of each month a statement, itemized, supported and approved as outlined in Paragraph (6) hereof on the amount due Contractor as compensation pursuant to Paragraph (4) for the next statement period. Owner shall pay Contractor the statement amount subject to any agreed upon withholding until final acceptance of the work to which that statement is applicable. No payment of any amount owing Contractor shall be made until Contractor is in default hereunder.
6. **Records and Accounting:** Contractor shall keep sufficient and accurate records of all costs incurred as they relate to the basis of compensation as outlined on this Order. Such records shall be open to inspection by Owner or any authorized representative of Owner. Detailed written accounting procedures shall be developed by Owner's accounting department in conference with Contractor, which shall become and be a part of this contract as though originally incorporated.
7. **Taxes:** Contractor will pay all taxes imposed by Federal or State governments or compensation of its employees and any other taxes, fees and charges on account of this Order or the receipts therefrom or its performance under authorization of any law, ordinance or regulation, except that sales or use taxes where applicable will be paid by Owner or Contractor, on materials purchased hereunder, in accordance with the statute of the state in which contract is performed or as expressly set out on this Order.
8. **Performance:** Contractor shall diligently and carefully perform all work required hereunder in a good and workmanlike manner, and shall furnish all labor, supervision, machinery, materials, equipment and supplies necessary.
9. **Contractor's Guarantee:** The Contractor warrants that all work performed under this Order shall conform to specifications, drawings, samples or other descriptions furnished or adopted by Owner; and workmanship or service rendered will be in accordance with standards established by Owner. Contractor guarantees all workmanship against any defect for one year from date of completion of work hereunder and all materials according to manufacturer's warranty.
10. **Patents and Confidential Information:** Contractor agrees to keep all information regarding Owner's "know-how" operating techniques, machines, processes, statistics, and trade secrets confidential and will not disclose any part thereof to third parties without Owner's express written consent.
11. **Use of Premises:** Contractor shall perform all work in such manner as not to interfere with use of premises by Owner or other contractors. Contractor agrees that there shall be no interruptions of Owner's manufacturing operations except as stated on this Order. Contractor shall take all necessary precautions (including those required by Owner's safety regulations) to protect the premises and all persons and property thereon from damage or injury and shall assume responsibility for the taking of such precautions by Contractor's and subcontractor's employees, agents, licensees, and permittees and subcontractors. Upon completion of the work, Contractor shall leave the premises clean and free of all tools, equipment, waste material and rubbish.

12. **Assignment and Sub-Contracting:** Contractor shall not assign this contract or any part without Owner's consent. All subcontractors shall be approved by Owner. Contractor agrees to secure proper agreements from all subcontractors necessary to protect Owner in the same manner as Contractor has herein agreed.
13. **Cancellation:** Should Owner at any time decide, for any reason, to terminate Contractor's services, this contract shall be canceled effective three (3) days after service of written notice of cancellation to Contractor sent by certified mail. In the event of cancellation, Owner shall pay Contractor for all work performed to date of cancellation and assume all obligations incurred by Contractor with reference to work hereunder which cannot be canceled and which may be usable and acceptable to Owner in completing this contract. Upon payment of such cancellation charges, all plans, designs, drawings, model specifications and work in progress shall be the property of the Owner.
14. **Delays:** Any delays or failure of performance by either party under this contract shall be excused to the extent caused by occurrences beyond the control of the party affected. As soon as any delay begins or becomes imminent, the party whose performance will be affected by such delay shall notify the other in writing and shall thereafter make every effort to overcome the delay and resume performance and/or may terminate the particular purchase Order or Orders affected either in whole or in part, without liability.
15. **Liens:** Contractor shall indemnify and save harmless Owner from laborers', mechanics' and materialmen's liens upon materials, equipment, work in progress or the premises on which the work is to be performed.
16. **Surety Bond:** Contractor at Owner's option and expense shall furnish an approved surety bonded for satisfactory performance of this contract and as security against any unpaid bills for labor or materials which are the obligation of Contractor or any of Contractor's subcontractors.
17. **Indemnification and Insurance:**
  - a. In the event that Contractor or any of its agents or employees or Contractor's subcontractor's or any subcontractor's agents or employees suffer injury or death or their property is damaged on or about Owner's premises which injury, death or property damage is in any way related to work performed or to be performed under this Order by Contractors. Subcontractors or agents or employees of Contractor or Subcontractor, Contractor agrees to indemnify and hold harmless Owner, its officers, agents, and employees and any other corporation on its behalf from liability for any loss, cost, claim, judgment or damage including, but not limited to, reasonable attorneys fees incurred on account of such injury, death or property damage, whether or not such casualty results from or is contributed to by the negligence of Owner or its employees.
  - b. Contractor agrees that in the event any person, including but not limited to, Owner's employees, guests, invitees or the employees of Owner's subcontractors suffer injury or death in any way related to work performed or to be performed hereunder by Contractor or any of its agents or employees or Contractor's subcontractor or any of subcontractor's agent or employees, on Owner's property, equipment or material, or the property of Owner's subcontractor's employees is damaged by Contractor or any of its employees or subcontractors or subcontractor's employees while on or off Owner's premises. Contractor shall indemnify and/or reimburse Owner, its officers, agents and/or employees from any such injury, death or damage arising out of Contractor's or its subcontractor's performance of the work which in any way relates to this Order.
  - c. Contractor agrees to furnish to Owner's satisfaction certificates of insurance evidencing Contractor's public liability insurance coverage, including contractual liability, products completed operations coverage and broad from vendor's coverage, which shall include this Order.
  - d. Contractor agrees to provide evidence of adequate and current worker's compensation insurance and to provide a valid waiver executed by Contractor's workers compensation insurance carrier of any right of subrogation against Owner or its employees for any injury to a covered employee while working on Owner's premises.
18. **Inspection by Owner:** Unless otherwise specified, all work performed will be subject to final inspection and approval on the site where services are supplied, or, in the event installation of equipment is required, such inspection and approval shall be at a place of installation. The making of periodic payments by Owner shall not be construed as acceptance of work up to the time of payments.

## TERMS AND CONDITIONS FOR “PURCHASE ORDER-GOODS” AND “PURCHASE ORDER-SERVICES”

1. **Definition:**
  - a. Whenever the term “Seller” is used herein, it is also intended to mean “Vendor”.
  - b. Whenever the terms “Buyer” or “Owner” are used herein, they refer to National Cooperative Refinery Association, a Kansas Corporation.
  - c. Whenever the term “Contractor” is used herein, it includes a provider of services.
2. **Modifications of Terms:** None of the terms and conditions contained in this Purchase Order may be added to, modified, superseded or otherwise altered, except by a written instrument, signed by Buyer/Owner, notwithstanding any terms and conditions that may be contained in any acknowledgement, invoice or other form of Seller/Contractor and notwithstanding Buyer’s/Owner’s act of accepting or paying for any shipment or similar act of Buyer/Owner.
3. **Waiver:** The failure of Buyer/Owner to insist upon the performance of any provision of this Order or to exercise any right or privilege granted to Buyer/Owner under this contract shall not be construed as waiving any such provision, and the same shall continue in force.
4. **Other Agreements:** This Order contains all the agreements by the parties relating to the subject matter hereof. This agreement may be amended only in writing, signed by the parties hereto.
5. **Governing Law:** This Order is to be interpreted in accordance with, and performance governed by the laws of the State of Kansas.
6. **Compliance with Federal and State Laws:** Seller warrants that it is and will remain in full compliance with applicable federal, state and local statutes, regulations, rules, order and judicial and administrative law decisions.