

Attachment A
NORPAC Standard Terms for Purchases (U.S.)

1. **Controlling Documents.** These Standard Terms for Purchase ("Terms") are incorporated and made a part of the "Contract" between North Pacific Paper Company, LLC, a Delaware limited liability company ("NORPAC"), and the supplier ("Supplier") identified in a Purchase Order ("PO") generated by NORPAC identifying the parties and containing key business terms. The Contract consists of (a) a PO; (b) these Terms; and (c) all attachments to the PO, including but not limited to specifications, drawings, statements of work (SOW), and other documents incorporated by reference into the PO. Any conflicts between the documents will be resolved in the following order of precedence: (i) these Terms; (ii) the wording of the PO; and (iii) any attachments to the PO. Any other document provided by either party that contains terms and/or conditions that conflict with, or are inconsistent with the Contract, including the language of Supplier's standard terms and conditions for sale, order acknowledgement, quote, proposal, invoice, click wrap or shrink wrap included with software or firmware, or anything on either party's website are objected to and expressly rejected by NORPAC and will be considered to be void and of no effect with respect to this Contract. Any conflicting or inconsistent documentation will be considered a material alteration to the Contract. However, any additional terms contained in a PO issued by NORPAC and accepted in that form by Supplier that augment, supplement, or clarify the terms of the Contract, will be binding on the parties.

2. **Goods and Services.** Subject to the terms and conditions of this Contract, Supplier agrees to sell the goods and services as detailed in the PO to NORPAC. "Goods" means all equipment, materials, supplies, ancillary parts, accessories, components and other items purchased or leased by NORPAC as identified in the PO. "Services" means all services of any nature ordered by NORPAC as identified in the PO. "Specifications" for Goods and Services are detailed in the PO. The quantity of Goods and Services subject to this Contract is set out in the PO.

3. **Pricing.** Pricing for this Contract is set out in the PO. Pricing excludes all sales and use taxes.

4. **Taxation.** Supplier will comply with all federal, state and local tax laws and regulations applicable to its performance of this Contract. The parties agree to cooperate to accurately determine and lawfully minimize each party's tax liability under this Contract, other than taxes imposed on the gross or net income of Supplier (which are the responsibility of Supplier). Supplier's invoices will separately state (a) taxable and non-taxable charges and (b) sales/use tax due by jurisdiction.

5. **Payment Terms.** Supplier will submit periodic invoices to NORPAC for Goods and Services delivered under this Contract. NORPAC's obligation to pay invoices is subject to receipt of a timely and accurate invoice and conforming Goods and Services. Payment terms are net 45 days after receipt of a timely and accurate invoice and conforming Goods and Services. NORPAC will have no obligation to pay any amounts Supplier fails to invoice within 120 days of delivery of Goods or performance of Services. NORPAC retains the right of setoff for any amount due or owing to NORPAC or its affiliates. NORPAC may make payments electronically (e.g., ACH payments). Supplier will provide information necessary to facilitate electronic payments.

6. **Accounting; Audit.** Supplier will maintain accounting records and procedures sufficient to support invoices consistent with GAAP for 3 years after the termination or expiration of this Contract. NORPAC and its authorized representatives may, from time to time, audit those records and accounting procedures on reasonable notice to Supplier, during normal business hours, and make copies for its use.

7. **Delivery Schedule.** Failure to deliver Goods or complete Services by the date(s) stated in the PO is a breach of this Contract. Supplier will deliver the Goods to the delivery point set out in the PO ("Delivery Point") and complete the Services on or before the date(s) set out in the PO. Supplier will notify NORPAC within 72 hours prior to the estimated delivery so that NORPAC may coordinate necessary resources to receive and unload Goods. Supplier will promptly notify NORPAC in writing of any

anticipated or actual delay in delivery of Goods or completion of Services, the reasons for the delay, and the actions being taken by Supplier to overcome or minimize the delay.

8. **Title and Risk of Loss; Shipping.** Title and risk of loss and responsibility for damage to the Goods or deliverables under any Services will pass from Supplier to NORPAC upon delivery to the Delivery Point pursuant to the delivery terms specified in the PO. All Incoterms will be interpreted in accordance with the 2010 edition of "Incoterms," published by the International Chamber of Commerce. Supplier will appropriately pack, mark and ship Goods in accordance with NORPAC's instructions, in accordance with all applicable laws, and, if so instructed by NORPAC, will meet the transportation requirements of common carriers to secure the lowest transportation costs.

9. **Changes.** NORPAC may request changes in Specifications or drawings or increase or decrease the quantity of Goods or the scope of Services. If any requested changes require changes to design or fabrication methods, or alters the quantity to be delivered or delivery schedule, then Supplier will provide NORPAC with a written proposal within 5 days of NORPAC's request that includes any changes in costs, dates, or other terms. If accepted by NORPAC, the proposal, together with any changes in terms will be memorialized in an amendment to this Contract, signed by both parties.

10. **Inspection.** NORPAC will have 120 days from the date of delivery of Goods or completion of Services to inspect the Goods and Services. If Goods or Services do not conform to the Specifications, or are otherwise defective, NORPAC may, at its election either notify Supplier and offer Supplier a reasonable opportunity to remedy or return Goods to Supplier at Supplier's expense and receive either replacement Goods or a refund of the amounts paid for Goods, or receive a refund for or re-performance of Services. If NORPAC returns Goods, it does not waive any other remedies that may be available under this Contract, at law or at equity. NORPAC's review of drawings and/or Specifications does not constitute approval and does not relieve Supplier of responsibility for compliance with all Specifications and with all applicable laws, codes, and regulations. NORPAC's inspection or failure to inspect, payment for, or acceptance of Goods and Services will not impair NORPAC's right to reject nonconforming Goods or Services or to pursue any other remedies available under this Contract, including its warranty rights. Final acceptance of Goods or Services occurs when they have been shown to meet the Specifications.

11. **Quality and Warranty.**

a. **Goods Warranty.** Supplier warrants that, for a period of 12 months from the date when the Goods are put into use, or 18 months after delivery of the Goods, whichever is later (the "Goods Warranty Period"), the Goods: (i) are free from defects in design, material and workmanship; (ii) are appropriate for the specified application(s) (if any); (iii) are consistent with recognized industry quality standards; (iv) comply with the Specifications, drawings, standards, and descriptions included in this Contract (the "Goods Warranty"); (v) are merchantable and fit for the intended purpose; and (vi) are free and clear of all liens, security interests or other encumbrances.

b. **Services Warranty.** Supplier warrants that: (i) Services will be performed in a timely, efficient, professional, and workmanlike manner; (ii) all Supplier employees and subcontractors ("Supplier Personnel") assigned to perform Services will have all necessary licenses and consents and the necessary skill and training; and (iii) Services will be performed in a manner consistent with the standard of care in the industry ("Services Warranty"). The Services Warranty will survive for a period of 12 months after the date when Services are completed ("Services Warranty Period").

c. **IT Warranty.** Supplier warrants, that all hardware, software, and firmware associated with Goods or Services ("IT Goods" and "IT Services", respectively) will not: (i) contain any viruses, malicious code, Trojan horse, worm, time bomb, self-help code, back door, or other software code or routine designed to (a) damage, destroy, or alter any software or hardware; (b) reveal, damage, destroy, or alter any data; (c) disable any computer program automatically; or (d) permit unauthorized access to any software or

hardware; (ii) contain any third party software (including software that may be considered free software or open source software) that (a) may require any software to be published, accessed, or otherwise made available without the consent of NORPAC, or (b) may require distribution, copying, or modification of any software free of charge; and (iii) infringe on any patent, copyright, trademark, or other proprietary or intellectual property right of any third party or misappropriate any trade secret of any third party ("IT Warranty"). The IT Warranty will expire 12 months¹ after the date IT Goods are delivered or IT Services are complete, as applicable.

d. If Goods do not comply with the Goods Warranty or any defects develop during the Goods Warranty Period under normal use, at NORPAC's election, Supplier will promptly remedy the defect by removing, repairing, correcting, or replacing, and/or reinstalling any defective Goods or refund the amounts paid for the Goods. Supplier's Goods Warranty support will include, at Supplier's sole expense, all technical support, parts, materials and equipment, and labor, including freight and "in/out" costs required to address the defect.

e. If Services do not comply with the Services Warranty or are in any manner found to be nonconforming during the Services Warranty Period, Supplier will promptly remedy the non-conformance, or at NORPAC's election, Supplier will re-perform or correct the nonconforming Services at no additional cost to NORPAC or refund the amounts paid for the Services.

f. If IT Goods or IT Services do not comply with the IT Warranty, or if any defect or non-conformance develops during the IT Warranty Period, Supplier, at NORPAC's election, will promptly (i) remedy the defect by removing, repairing, correcting or replacing, and/or reinstalling any defective IT Goods; (ii) will re-perform or correct the non-conforming IT Services at no additional cost to NORPAC; or (iii) refund the amounts paid for IT Services and IT Goods.

g. If Supplier does not remedy a defect or nonconformity within 7 days after receipt of written notice from NORPAC, or if an emergency exists rendering it impossible or impractical for NORPAC to have Supplier provide a remedy, NORPAC may, without prejudice to any other rights or remedies available to it, make or cause to be made required modifications, adjustments, or repairs, or may replace Goods, IT Goods, Services, or IT Services, in which case Supplier will reimburse NORPAC for its actual costs or, at NORPAC's option, NORPAC will offset the costs incurred from amounts owing to Supplier.

h. The warranties set forth in this Contract are cumulative and in addition to any other warranty provided by law or equity.

12. **Technical Support.** During any applicable warranty period, Supplier will provide all warranty service and telephone support, including after-hour technical support, at its own cost. Supplier will maintain a technical support hotline to address breakdowns and safety incidents.

13. **Subcontractors.** If Supplier employs subcontractor(s) to perform work under this Contract, Supplier is responsible for the performance of the subcontractor (regardless of tier) and will indemnify, defend, and hold NORPAC harmless in case of negligence, other tortious fault, or intentional misconduct by the subcontractor. Supplier may not hire a subcontractor to perform Services at a NORPAC location ("Site") without first obtaining NORPAC's written consent. Supplier may only mark-up subcontractor fees and costs by the amounts specified in the PO.

14. **Independent Contractor.**

a. Supplier is an independent contractor and not an employee, employer, partner, participant in a joint venture, or agent of NORPAC. Supplier has no authority to negotiate or enter into contracts on

behalf of NORPAC or otherwise act on behalf of or bind NORPAC to any obligation. While this Contract includes standards for the results to be achieved by Supplier, Supplier retains the discretion as to the method and manner to be used by it or Supplier Personnel, subject to the quality control, safety measures, and legal requirements of this Contract.

b. Subject to NORPAC's right to approve subcontractors, Supplier will have exclusive management of and the right to control the Services needed to complete this Contract. Supplier has the sole responsibility for recruiting, hiring, disciplining, terminating, and making all employment decisions, disclosures, and payments to Supplier Personnel. NORPAC has entered into this Contract with Supplier because Supplier and Supplier Personnel have skills needed to perform the work specified in the PO. Supplier, however, is not required to supply these workers exclusively for NORPAC, and Supplier and Supplier Personnel are free to perform work for others. NORPAC will not maintain or have access to the payroll, time, or other employment records of Supplier Personnel except as provided in subsection c. below.

c. If NORPAC will be charged on a time and materials basis, Supplier will obtain NORPAC's prior written approval for any overtime or weekend work that triggers overtime or weekend wages for Supplier Personnel, except as expressly authorized in the PO.

d. If Services will be performed at a Site, Supplier will coordinate its work schedule through NORPAC's Representative or the designated Site contact.

15. **Safety.** Failure to comply with any of the requirements in this Section will constitute a breach and will be cause for termination of this Contract by NORPAC.

a. **Regulatory Requirements/Safety.** Goods and Services supplied by Supplier will meet all OSHA and other safety-related federal, state, and/or local regulatory agency requirements applicable to the Goods and Services.

b. **Familiarity with Site.** Supplier acknowledges that NORPAC locations are used for industrial operations and maintained only to standards required for such use. As a condition to accessing a Site or performing Services at a Site, Supplier and any Supplier Personnel will, at Supplier's initiative and expense, become familiar with, and abide by Site safety rules and guidelines. Supplier represents and warrants that Supplier Personnel accessing a Site or performing Services at a Site will be adequately trained by Supplier and at all times comply with safety and regulatory standards applicable to a Site.

c. **Material Safety Data Sheets.** If applicable, Supplier will provide each Site with all appropriate Material Safety Data Sheets ("MSDS") at the time of delivery of each shipment of Goods which requires such compliance and/or and for materials used by Supplier while performing Services and any updates of the same.

d. **Clean-Up.** If Supplier or Supplier Personnel perform Services at a Site, Supplier, at its cost, will remove all excess materials, equipment, packaging, and garbage within the scope of its performance of Services and leave that portion of a Site in which the work was performed in a clean condition. Should Supplier fail to adequately clean up a Site after completion of work, NORPAC will have the right to remove the materials and obtain reimbursement from Supplier or set off the cost of clean up against amounts owed to Supplier.

e. **Supplier Safety Reporting.** If Supplier or Supplier Personnel perform Services at a Site, Supplier will present, and will require its subcontractors entering a Site to present, Experience Modification Rating ("EMR") and Recordable Incident Rate ("RIR") rates to NORPAC upon request. Supplier

acknowledges that EMRs and RIRs acceptable to NORPAC are a pre-condition to performing Services on a Site. An unacceptable rating is cause for NORPAC's termination of this Contract.

f. **Accident and Injury Reporting.** If Supplier or Supplier Personnel are present at a Site, Supplier will promptly report in writing all injuries, accidents, property damage, near-miss incidents, or any claims regarding damages or injury involving Supplier Personnel occurring at a Site. Supplier agrees to cooperate and assist in any NORPAC investigation of such incidents.

g. **Drug and Alcohol Policy.** If Supplier or Supplier Personnel are present at a Site, Supplier will not bring or permit Supplier Personnel to bring onto or near a Site any alcohol or any drugs that are illegal under applicable law. Supplier will have an established, appropriate drug and alcohol policy for Supplier Personnel.

h. **Firearms Policy.** If Supplier or Supplier Personnel are present at a Site, Supplier will not bring or permit Supplier Personnel to bring any firearms onto or near a Site.

i. **Hazardous Materials.** If Supplier uses chemicals, PCBs, or any potentially hazardous materials in the performance of Services, Supplier assumes responsibility for, and agrees to indemnify, defend and hold harmless NORPAC, its successors and assigns from and against, any loss, release, or environmental incident arising out of Supplier's unloading, discharge, storage, handling, or disposal of any chemical or container holding potentially hazardous materials, including the use of potentially hazardous material alone or in combination with other substances, and for Supplier's noncompliance with any related applicable laws or regulations.

j. **Equipment and PPE.** Supplier is solely responsible for providing appropriate personal protective equipment ("PPE") and equipment for use by Supplier Personnel entering a Site. If while performing Services Supplier uses vehicles, rigging, blocking, scaffolding, or other equipment ("Equipment") or PPE owned by NORPAC or a third party, then before using such Equipment or PPE, Supplier will determine, at its sole discretion and risk of loss, the adequacy of the Equipment or PPE to perform the required task and educate itself and Supplier Personnel regarding the appropriate and safe usage of the Equipment and PPE.

k. **Asbestos.** While performing Services, Supplier may encounter asbestos or asbestos containing materials. Supplier represents and warrants, if applicable, that all Supplier Personnel performing Services are adequately trained to address any asbestos encountered while performing work using industry best practices and Services will be performed in a manner consistent with the standard of care in the industry.

l. **Lead-Based Paint.** While performing Services, Supplier may encounter lead-based paint. Supplier represents and warrants, if applicable, that all Supplier Personnel performing Services are adequately trained to address any lead-based paint encountered while performing work using industry best practices and Services will be performed in a manner consistent with the standard of care in the industry.

16. **Ownership and Use of Materials.** Each party's intellectual property existing prior to the date of the PO will remain the exclusive property of that party. Supplier will promptly disclose to the NORPAC representative designated in the PO ("NORPAC Representative") all developments, including designs, ideas, computer programs, discoveries, inventions, or improvements thereto, whether patentable, copyrightable, or not, made by Supplier in the performance of this Contract.

17. **Indemnity.**

a. **General Indemnity.** NORPAC and Supplier (each, an "Indemnitor") will indemnify, defend, and hold harmless the other, and its respective parent company, affiliates, and each of their agents, employees, officers, and directors (each, an "Indemnitee"), against all claims, damages, fines, penalties, costs, liabilities, or losses (including amounts paid in settlement of claims, reasonable attorneys' fees, consultant fees, expert fees, and costs) ("Claims") arising out of (i) any breach of this Agreement by such Indemnitor; or (ii) such Indemnitor's and its officers', employees', directors', contractors', and agents' negligence, other tortious fault, intentional misconduct; provided, that no right to indemnity will exist in that portion of a Claim resulting from the negligence, tortious fault, or intentional misconduct of Indemnitee, its officers, employees, contractors, agents, and subcontractors. Furthermore, Supplier will indemnify, defend, and hold harmless NORPAC, and its parent company, affiliates, and its agents, employees, officers, and directors, against any allegation that Supplier Personnel are employees of NORPAC for any purpose, including under any joint employer theory of liability. An Indemnitee seeking indemnification will give prompt written notice of the Claim to the other party, which will include the nature, pertinent facts, and an estimate of the amount of the Claim (provided that failure to give prompt notice shall not compromise the Indemnitee's right to indemnification hereunder).

b. **Intellectual Property Indemnity.** Notwithstanding any other provision of this Contract, Supplier will indemnify, defend, and hold NORPAC and their affiliates, agents, employees, officers, directors, successors, and assigns, harmless against any and all Claims resulting from allegations of infringement of any patents, copyrights, trade secret, or similar intellectual property rights covering the Goods or Services provided, or the use of the Goods or Services under this Contract. If NORPAC's use of Goods or Services provided by Supplier is enjoined based on an intellectual property infringement Claim, Supplier will, at its own expense, either procure for NORPAC the right to continue using the Goods or Services or, after consulting with NORPAC and obtaining NORPAC's consent, replace or modify the Goods or Services with substantially similar and functionally equivalent non-infringing Goods or Services.

18. **Waiver of Workers' Compensation Immunity.** For purposes of the General Indemnity obligations in this Contract:

a. **Washington.** If Supplier performs Services on NORPAC's behalf in the State of Washington, and only to the extent of claims against Supplier by NORPAC under the General Indemnity obligations in this Contract, Supplier expressly waives any immunity it may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Supplier's indemnification obligation will not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts. The parties expressly acknowledge and certify that the waiver of immunity under Title 51 RCW was mutually negotiated and agreed upon.

19. **Insurance.** Supplier will obtain and maintain the following insurance coverage on its operations for the duration of the Contract:

Type of Insurance	Minimum Limits²
Commercial General Liability (“CGL”) using the most current ISO Commercial General Liability occurrence form or equivalent, covering bodily injury and property damage liability, contractual liability, products and completed operations liability	\$2,000,000 per occurrence, \$2,000,000 products and completed operations aggregate, and \$2,000,000 general aggregate
Commercial Auto Liability covering all owned, hired and non-owned vehicles	\$1,000,000 per person, \$1,000,000 per accident for bodily injury, \$1,000,000 property damage, or combined single limit of \$1,000,000
Workers’ Compensation	Statutory benefits as required by applicable law
Employer’s Liability or Stop-Gap Liability coverage where necessary	\$1,000,000 each accident, \$1,000,000 each employee, and \$1,000,000 policy limit

a. If Goods are provided under this Contract, Supplier will also obtain and maintain insurance to protect the Goods for all risks of loss until the Goods have been delivered to and accepted by NORPAC.

b. The insurance limits in this Contract may be provided by any combination of primary and umbrella/excess insurance policies.

c. NORPAC and its subsidiaries and affiliates will be endorsed as Additional Insured using the most current ISO Additional Insured Endorsement forms CG 20 10 (ongoing operations) and CG 20 37 (products - completed operations), or equivalent CGL endorsements.

d. Supplier and its subcontractors will cause their insurance companies to waive rights of subrogation against NORPAC. Supplier acknowledges that this waiver was mutually negotiated. Insurance companies providing the required coverage will at all times during the term of this Contract have an A.M. Best Financial Strength Rating of no less than “A-” and Financial Size no less than VII. All insurance or self-insurance of the additional insured (NORPAC and its subsidiaries) will be excess of any provided by Supplier or its subcontractors.

e. Insurance coverage required by this Contract will be evidenced to NORPAC on the most current ACORD 25 Certificate of Liability Insurance form or equivalent with attached Additional Insured endorsement(s) before Supplier commences Services or delivers Goods. The certificate of insurance and/or accompanying cover letter will identify the type of work being performed, the Site for the work, and Supplier’s NORPAC contact.

f. Supplier will ensure that its subcontractors, if any, have insurance coverage and endorsements consistent with those of Supplier set out in this Section during all operations or work under this Contract.

g. Upon lapse or cancellation of any insurance required by this Contract, Supplier will notify NORPAC immediately of such lapse or cancellation and will reinstate immediately the lapsed or cancelled insurance or purchase replacement insurance that meets the requirements of this Contract. Supplier will deliver immediately to NORPAC a replacement Certificate and Additional Insured endorsement(s).

h. Failure to obtain and maintain the required insurance or to provide the required insurance documents is a material breach of this Contract. Insurance documentation will be delivered to NORPAC as follows:

(1) **ISNetworld Subscribers:** Supplier will upload to its [ISNetworld](#) account the required insurance documents with the Certificate Holder listed as follows:

NORPAC
c/o ISNetworld
P.O. Box 192668
Dallas, TX 75219

(2) **Non-ISNetworld Subscribers:** Suppliers will subscribe to ISNetworld and submit insurance documentation as directed above. In limited circumstances, and in its sole discretion, NORPAC may waive the requirement that Supplier subscribe to ISNetworld. If NORPAC waives the ISNetworld subscription requirement, Supplier will deliver the required insurance documents to the NORPAC Representative with a copy to:

NORPAC c/o Purchasing
P.O. Box 2069
Longview, WA 98632

i. Supplier will deliver all required insurance documentation, as directed above, before commencing work under the Contract, and then no later than each policy's expiration date.

20. **Duty to Advise.** Supplier will provide prompt written notice to NORPAC of any of the following events or occurrences, or any facts or circumstances reasonably likely to give rise to any of the following events or occurrences: (a) any failure by Supplier to perform any of its obligations under this Contract; (b) any defects or quality problems relating to Goods or Services (including if any Goods may be subject to a recall campaign); and (c) any breach of this Contract (including, without limitation, any warranty set forth in Section 11).

21. **Limitation of Damages.** Neither party will be liable to the other for incidental, consequential or punitive damages, including loss of profits or loss of revenue; provided, however, that nothing contained in this Section will in any way exclude or limit: (a) a party's liability for all damages arising out of that party's intentional acts or omissions; (b) the operation of any Goods or Services warranty provided in this Contract; or (c) damages subject to the Intellectual Property Indemnity section of this Contract. Any limitation of either party's obligations under this Contract, by delivery slips or other documentation is void. There are no intended third-party beneficiaries of this Contract.

22. **Compliance.**

a. **Compliance with Law.** Supplier will perform this Contract in compliance with all applicable laws, regulations, ordinances, permits, and orders, including but not limited to, labeling, environmental, threatened or endangered species, health, safety, child welfare, nondiscrimination, wage and hour, the Fair Labor Standards Act, and other workplace laws and regulations. Any reference herein to "applicable law" includes federal, state, local and foreign laws, to the extent applicable, unless otherwise stated.

b. **Permits and Approvals.** Supplier will obtain all necessary permits and approvals and give all stipulations, certifications, and representations that may be required for it to perform this Contract.

c. **Lacey Act.** Supplier represents and warrants that Supplier is, and at all times during the term of this Contract will be, in compliance with the Lacey Act, 16 U.S.C. 3371 et seq. with respect to any

Goods it provides that incorporate wood, wood fiber, chips or other plants, plant products, or plant derivatives.

d. **Equal Opportunity/Non-Discrimination.** Supplier acknowledges that, as a matter of United States federal procurement laws, Supplier may be considered a “subcontractor” to NORPAC under one or more of NORPAC’s contracts with the federal government and that subcontractors under government contracts are subject to certain mandatory “flow-down” clauses. Specifically, the Equal Employment Opportunity Clause required under Executive Order 11246 and 41 CFR 60-1.4(a) regarding nondiscrimination and affirmative action on the basis of race/ethnicity and gender, is incorporated by reference in this contract, if applicable. 41 CFR 60-741.5(a). **NORPAC and Supplier shall abide by the requirements of 41 CFR 60-741.5(a), if applicable. This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities. 41 CFR 60-300.5(a). NORPAC and Supplier shall abide by the requirements of 41 CFR 60-300.5(a), if applicable. This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans. 29 CFR Part 471, Appendix A to Subpart A. NORPAC and Supplier shall abide by the requirements of Executive Order 13496 regarding notification of rights under the National Labor Relations Act, if applicable.**

e. **Code of Ethics.** Supplier will abide at all times during the term of this Contract by the NORPAC Supplier Code of Ethics found at [\[http://NORPAC.com/files/7214/3397/9178/Sustainability_Supplier_Code_of_Ethics.pdf\]](http://NORPAC.com/files/7214/3397/9178/Sustainability_Supplier_Code_of_Ethics.pdf),³ the terms of which are incorporated into this Contract by reference or, following review and approval by NORPAC, Supplier will abide by Supplier’s ethics policy containing substantially similar requirements to the NORPAC Supplier Code of Ethics. A printed copy of the NORPAC Supplier Code of Ethics is available from the NORPAC Representative.

23. **Liens.** Supplier has good and marketable title to the Goods. Supplier will keep NORPAC’s property free of liens. If NORPAC receives notice of a lien caused by Supplier, NORPAC may withhold any payment otherwise due Supplier until Supplier submits proof, in a form satisfactory to NORPAC, that all lienable claims have been fully paid or waived.

24. **Confidentiality.** Supplier will maintain as confidential all information regarding this Contract, including but not limited to the type, description, and scope of Services to be provided; the description, volume, and pricing of Goods supplied and Services provided under this Contract; and any intellectual property created through the Services. Supplier will hold this information in strict confidence except as needed by Supplier Personnel supporting the Contract; provided, however, that those Supplier Personnel agree to be bound to a nondisclosure agreement no less stringent than the obligations in this section. For 5 years from the date of expiration or termination of this Contract, Supplier will exercise the same degree of care as it exercises for its own information of similar nature, but not less than reasonable care, to (a) prevent disclosure of NORPAC’s information, and (b) not use NORPAC information for any purpose other than to perform the Contract. Notwithstanding the foregoing, nothing in this Contract will prohibit or limit either party’s use of information (including, but not limited to, ideas, concepts, know-how, techniques and methodologies) which: (i) was previously known to it; (ii) was independently developed by it; (iii) was rightfully acquired by it from a third party without continuing restriction on use; or (iv) is or becomes part of the public domain through no breach by either party of this Contract. Supplier will promptly notify NORPAC if Supplier is legally compelled to disclose NORPAC’s confidential information in a judicial, regulatory, or administrative process and will allow NORPAC an opportunity to oppose such

requirement. Supplier will take all reasonable steps provided for in such judicial, regulatory, or administrative process to preserve the confidentiality of NORPAC's confidential information. NORPAC will treat all information regarding Supplier's pricing of Goods and Services under this Contract as confidential. Neither party may use the other party's name in publicity releases, referrals, advertising, or similar activity without the prior written consent of the other. The terms of this Section will not apply to confidential information disclosed pursuant to another confidentiality agreement or non-disclosure agreement between NORPAC and Supplier.

25. **Network Access.** During its performance of this Contract, Supplier and Supplier Personnel may be granted access to NORPAC's computer and telecommunication networks ("Networks"). As a condition of Network use, Supplier and Supplier Personnel will: (a) use the Networks in compliance with all applicable laws, rules, and regulations; (b) use software, protocols, and procedures as directed by NORPAC to access and use the Networks; (c) only access Network locations made available to Supplier by NORPAC; (d) not interfere with or disrupt other users of the Networks; (e) assure the transmissions over the Networks by Supplier and Supplier Personnel (i) do not contain any libelous, defamatory, profane, offensive, obscene, pornographic, or unlawful material, and (ii) are not used to perform any illegal activities, including but not limited to, encouraging, selling, or soliciting illegal drugs, gambling, pornography, prostitution, robbery, spreading computer worms or viruses, hacking into computer systems, or trafficking credit card codes; and (f) upon termination or expiration of the Contract, relinquish all IP addresses or address blocks assigned to them on the Networks. Additionally, Supplier and Supplier Personnel will comply with NORPAC's Network Use Policy and any Network and Electronic Equipment User Agreement.

26. **Force Majeure.**

a. Except for the obligation to pay amounts when due under the Contract, neither party will be liable to the other for damages due to a failure to carry out its obligations under this Contract to the extent that failure is caused by fire, hurricane, flood, earthquake, lightning, or other natural event or disaster; freight embargo; governmental or administrative prohibition; riot; strike (other than at the affected party's operations or that of its suppliers); acts of public enemies or terrorists; sabotage; or other events beyond that party's reasonable control (a "force majeure event"). A party affected by a force majeure event will immediately notify the other, describing the event and estimating its duration. The parties will cooperate in good faith to mitigate the effects of the force majeure event; provided that, if Supplier is unable to perform in a timely fashion, NORPAC may purchase replacement Goods or obtain substitute Services from another vendor without penalty, and those replacement Goods and substitute Services will count towards any volume requirements in this Contract. Alternatively NORPAC may elect to terminate the Contract.

b. Except to the extent Supplier is excused from performing due to a force majeure event, if NORPAC is required to acquire replacement Goods and substitute Services from another supplier because Supplier is unable to timely perform on the agreed schedule, Supplier will reimburse NORPAC for all commercially reasonable additional costs and expenses incurred to obtain the replacement Goods and substitute Services.

27. **Termination for Convenience.**

a. At its convenience, NORPAC may terminate this Contract as to all or any part of the Goods or Services not yet delivered or complete by providing written notice to Supplier. Supplier will immediately discontinue all work on the date specified in the termination notice.

b. Upon termination for convenience pursuant to this Section, NORPAC will pay Supplier for all Goods shipped and Services completed before Supplier's receipt of the termination notice. For any Goods specially manufactured for NORPAC, NORPAC will pay all reasonable costs incurred by Supplier associated with the Goods, including any costs and cancellation charges actually incurred by Supplier under

subcontracts. An accounting of these costs will be provided to NORPAC within 10 days of receipt of the notice to terminate. The payment will not exceed the total price of the order, and will be reduced by any deposits, refunds, or salvage values available to Supplier. Upon payment, title to any work-in-progress will pass to NORPAC.

28. **Other Termination.** This Contract may be terminated: (a) upon the mutual written agreement of the parties; (b) by the non-breaching party where the breach is not cured within fifteen (15) calendar days after written notice of breach is delivered to the breaching party, unless a different time for cure is otherwise stated in this Contract; (c) by NORPAC immediately upon written notice to Supplier if for any reason the ownership or control of Supplier or Supplier assets supplying Goods or Services under this Contract becomes vested in any direct competitor of NORPAC; and (d) as otherwise expressly provided for in this Contract. This Contract will terminate automatically and without further action if a party becomes insolvent or is placed in receivership, reorganization, liquidation, or bankruptcy. In addition to any other available remedies, the non-breaching party may terminate this Contract as provided in clause (b) hereof without further liability by written notice to the breaching party. A termination for breach will not affect rights or obligations accrued or owed before the effective date of the termination notice.

29. **Affiliates; Assignment; Notice.**

a. **Affiliates.** For purposes of this Contract, "affiliate" means any entity (including without limitation any corporation, partnership, limited liability company, associate or trust) controlling, controlled by or under common control with that party. An entity is deemed to "control" another if it owns, directly or indirectly, at least 50% of the ownership interest (equity or voting) in such other entity. At NORPAC's request, Supplier will accept Goods and Services orders consistent with this Contract from NORPAC affiliates and will provide separate billing to the NORPAC affiliate at no additional charge.

b. **Assignment.** NORPAC may, without seeking Supplier's consent, assign this Contract to an entity acquiring substantially all the assets of a Site, NORPAC business unit, or NORPAC affiliate. Supplier may not assign this Contract, whether by operation of law or otherwise, without NORPAC's prior written consent, which consent will not be unreasonably withheld. NORPAC may assign any of the benefits or liabilities of this Contract to any of its affiliates.

c. **Notice.** All notices, requests, demands, and other communications required by the Contract will be in writing and be delivered to the parties at the addresses provided in the PO or any other address that a party may designate by written notice to the other party. All notices will be deemed complete upon personal service, delivery by a recognized overnight courier at the notice address, or another address as a party may identify in writing.

30. **Governing Law; Venue.** The laws of the **State of Washington**, without reference to any choice of law principles that would provide for the application of the laws of another jurisdiction, will govern the interpretation and enforcement of this Contract. The Convention on Contracts for the International Sale of Goods will not apply.

31. **Dispute Resolution; Remedies.**

a. Any dispute between the parties regarding this Contract, including a dispute over a party's performance of its obligations or interpretation of the Contract's terms, other than a dispute when a remedy sought in good faith is injunctive relief, will be addressed as follows: (i) the party initiating dispute resolution will present a written explanation of the dispute and the remedy requested; and (ii) within 10 business days after receiving such notice, the other party will respond by either agreeing to the requested remedy, proposing a different remedy, or explaining why the issue does not justify any remedy. If the matter is not settled within 10 business days after the response is received by the initiating party or if no response is provided, the dispute will be settled by binding arbitration upon the initiation of either party. If either party refuses to participate in arbitration, the other party may compel arbitration.

b. Arbitration will be administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction over the matter. The arbitration will be held in **Seattle, Washington**. [?]

c. Any action or proceeding arising out of this Contract where a remedy sought in good faith is injunctive relief will be heard exclusively in the federal or state courts located in **Seattle, Washington** [?]. NORPAC and Supplier expressly and irrevocably consent to the personal jurisdiction of those courts and waive any objection based on inconvenient forum.

d. The prevailing party in an arbitration proceeding or lawsuit is entitled to recover all of its dispute resolution costs, including reasonable attorneys' fees and costs.

32. **Entire Agreement.** This Contract contains the entire understanding of the parties regarding the subject matter of this Contract and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties regarding the subject matter of the Contract.

33. **General.**

a. The parties to this Contract represent that they have negotiated and understand its provisions and agree that no presumptions should be made against the drafter.

b. This Contract will be binding on the parties and their respective heirs, personal representatives, successors, and permitted assigns, and will inure to their benefit.

c. If any provision in this Contract is determined to be invalid, illegal, or unenforceable, then such provision shall be limited so as to make it enforceable, and in the event such provision cannot be so limited, it shall be excluded from this Contract and all other provisions of the Contract will remain in full force and effect provided that the economic or legal substance of the Contract is not affected in a material way. If necessary, the parties will negotiate in good faith to modify the Contract to reflect as closely as possible the parties' original intent.

d. Upon expiration of this Contract NORPAC will accept and take delivery of all outstanding and not yet fulfilled orders and pay Supplier the price as set out in the PO. Supplier's right to payment upon early termination of the Contract by NORPAC is addressed in the Sections titled Termination for Convenience and Termination for Cause.

e. Upon termination or expiration of this Contract (i) Supplier will continue to fulfill its warranty obligations with respect to any Goods or Services sold to NORPAC, and (ii) all provisions of the Contract that, by their nature, would continue beyond the termination, cancellation, or expiration of the Contract will so continue and survive (including, without limitation, Section 17).

f. Upon termination or expiration of this Contract, Supplier and Supplier Personnel will return all keys, badges, and other materials supplied by NORPAC for the performance of this Contract.

g. No waiver will bind either party unless it is made in writing and signed by the party making the waiver. A party's waiver of a breach of a provision of this Contract does not constitute a waiver of any other provision of the Contract or a waiver of a subsequent breach of the same Contract provision.

h. This Contract may be amended only by written agreement signed by both of the parties.

i. If signatures are required, this Contract may be executed in two or more counterparts, each of which together are deemed an original, but all of which together constitute one and the same instrument.

If a signature is delivered by facsimile transmission or using another electronic format agreed to by the parties, that signature will create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if the facsimile or other electronic format were an original document.