### MORTON SALT, INC. STANDARD PURCHASE ORDER TERMS FOR PURCHASE OF GOODS AND SERVICES

1. DEFINITIONS/APPLICATION: As used herein, "Morton" refers to Morton Salt, Inc., Morton Bahamas Limited, and/or their respective affiliates and subsidiaries, each if and as applicable; "Vendor" refers to the vendor, seller, provider, supplier or other party identified on the purchase order for Goods and/or Services which incorporates these standard purchase order terms by reference; "Contract" refers to the language herein and to all specifications or other documents attached hereto and incorporated herein by reference and agreed to by Morton in writing; "Goods" refers to the goods, products or items to be acquired by Morton pursuant to this Contract; and "Services" refers to any of the service(s), work, maintenance, repair or other activity undertaken or required (either explicitly or implicitly) to be undertaken by Vendor under the terms of this Contract. This Contract shall apply to the purchase of (i) Goods or Services or (ii) Goods and Services.

# 2. CONTRACT:

(a) <u>Sale of Goods</u>. Vendor agrees to and shall sell the Goods to Morton, and Morton agrees to purchase the Goods from Vendor, under the terms and conditions specified in the Contract.

(b) <u>Performance of Services</u>. Vendor shall perform and complete the Services requested by Morton free of all liens and encumbrances, and in full compliance with all terms, conditions and specifications in this Contract, including work and materials not specifically mentioned or shown in this Contract but necessary to perform and complete the Services in all its details as shown and/or intended. Morton shall not be required to pay for, or make payments on, any Service that is not completed in a professional and competent manner in full compliance with all terms, conditions and specifications herein, including but not limited to Services subject to, or which may be subject to, any liens or encumbrances. Morton shall not be required to pay any part of the price or fee until Vendor has furnished Morton with (i) affidavits, satisfactory to Morton, setting forth any amounts owed for labor or material furnished by or to Vendor, or any agent or supplier of Vendor, which are or might become liens against any Morton property. (ii) any goods (including, without limitation, the Goods) or the Services themselves and, in either case, accompanied by waivers of all such liens or possible liens.

3. ENTIRE AGREEMENT/OBJECTION TO ALTERNATIVE TERMS: This Contract constitutes Morton's offer to buy or purchase according to the terms and conditions set forth herein; is the entire agreement between Morton and Vendor as to the subject matter hereof; and may only be modified by a writing signed by a duly-authorized representative of Morton. Unless otherwise accepted by Morton in writing, Morton objects to any and all terms and conditions proposed by Vendor, Vendor's subcontractors or any third party that are or may be different from, additional to or conflict with those set forth in this Contract. In no event shall Morton's silence, act of accepting shipment, act of making payment, or other action or failure to act be construed as Morton's assent to any terms or conditions different from or additional to those set forth in this Contract. Any of the following Vendor acts shall constitute Vendor's unqualified acceptance of, and agreement to be bound by, the terms and conditions contained in this Contract: submission or return of order acknowledgment or acceptance by Vendor; commencement of any work or the performance of any Services hereunder; or shipment of Goods. Vendor shall have no authority to hold itself out to others as Morton's agent, or otherwise seek to bind Morton in any way.

4. DELIVERY OF GOODS: Deliveries shall be made as provided for in this Contract and in the applicable purchase order. Unless otherwise specified on the face of the applicable purchase order, all Goods shall be sold INCOTERMS DDP, Morton's delivery location (in accordance with the ICC's most recent edition) unloaded at the final location indicated by Morton (the "Delivery"). If not specified, Delivery can be made only where Morton usually and customarily takes delivery. Vendor shall promptly notify Morton, in writing, of any delays and simultaneously provide all information concerning the reason and/or extent of the delay, as well as details relating to the commercially reasonable efforts Vendor intends to make to avoid delay or expedite delivery (at Vendor's sole cost and expense).

5. TITLE/RISK OF LOSS: Title to the Goods and risk of loss of, or damage to, Goods shall remain with Vendor until such time as such Goods are delivered to and accepted by Morton at the destination indicated on the applicable purchase order and in accordance with the terms of this Contract. Any transfer of title or risk of loss hereunder shall not affect Morton's right to reject any non-conforming or defective Goods or any other right or remedy available to Morton in the event of any breach of this Contract by Vendor.

# 6. SPECIAL ITEMS; TECHNICAL DOCUMENTATION:

(a) All specifications, drawings, data, documents, tools, dyes, molds, jigs, fixtures, patterns, machinery, special test equipment, special taps and gauges, or items used for the production of any Goods and/or the performance of any Services (collectively "Special Items"), which have been furnished by, paid for in whole or in part by, charged against or cost amortized to Morton, will be delivered without charge and in good condition (normal wear and tear excepted) to Morton at the destination indicated on the applicable purchase order promptly upon Morton's request. Vendor warrants that the Special Items will not be used for any work or for the production of any material or parts, other than the Goods and/or Services, without Morton's written consent.

(b) No later than at completion of the Services or delivery of Goods, Vendor shall deliver to Morton all documentation relating to, and necessary for, Morton's optimal use of the Goods or Services, such as operating and maintenance manuals, training manuals, drawings, technical data sheets, product safety sheets, sales literature, quality statements, mill inspection certificates, certificates of conformity and any other similar or supporting documentation

(collectively, the "Vendor's Documents"). If not otherwise specified in the applicable purchase order, the Goods and/or Services will include, for maintenance and/or adaptability reasons, all source and object codes relating to it. Morton shall have a royalty-free, worldwide, perpetual right to access, use and/or make copies (at no additional charge) of any Vendor's Documents delivered to Morton under the applicable purchase order for the sole purpose of operating, maintaining, repairing, servicing, rebuilding, replacing parts, or modifying any Goods delivered and/or Services provided to Morton under the applicable purchase order or for contracting with others to perform any of the foregoing.

#### 7. EXCUSABLE DELAY OR FAILURE:

(a) Neither Morton nor Vendor shall be liable for a failure to perform hereunder arising from (i) acts of God or a public enemy; (ii) acts of any person engaged in subversive activity or sabotage; (iii) fires, floods, explosions or other catastrophes; (iv) epidemics or quarantines; (v) strikes, slowdowns, lockouts or labor stoppages or disputes of any kind; (vi) freight embargoes; (vii) unusually severe weather; or (viii) other causes beyond either Morton's or Vendor's control (as the case may be).

(b) In the event of a failure by Vendor to perform hereunder including, but not limited to, a failure arising under Section 7(a), Morton shall be entitled, among other remedies available to it under law or at equity, to obtain all or a portion of the Goods and/or Services elsewhere for the duration of such failure and to reduce, without any liability to Vendor, the quantity of Goods ordered from, or the extent of the Services to be provided by, Vendor, with a corresponding reduction in the price required to be paid by Morton.

8. PRICE: The price for the Goods or Services shall be as stated on the applicable purchase order. If no price is stated on the purchase order, Vendor agrees to invoice at the lowest prevailing market price to purchasers in Morton's class of trade as of the date of this Contract. Notwithstanding the price specified or established herein, Vendor shall give Morton the benefit of any price reductions through the date of Vendor's invoice for the Goods and/or Services. Vendor shall not charge Morton for packing or boxing, and returnable containers must bear Vendor's name.

**9. TAXES:** Unless otherwise provided on the face of the purchase order, the price includes (i) all costs to comply with the terms and conditions of the purchase order and this Contract, (ii) any and all taxes, including sales, use, excise, value added and other taxes, and (iii) fees, duties, or other governmental impositions on the sale of the Goods and/or performance of Services covered by the purchase order and this Contract. If Morton is required to pay any taxes or other impositions, Vendor will promptly reimburse Morton. Notwithstanding the foregoing, Morton shall pay G.S.T./H.S.T. and provincial sales tax, each if and as applicable. Vendor agrees that it will honor all valid sales tax exemption certificates submitted by Morton. Vendor shall pay, defend and hold Morton harmless from and against any penalty, interest, additional tax, or other charge or loss that may be levied or assessed as a result of the delay or failure of Vendor to pay any tax or file any return as required of Vendor under law.

10. CANCELLATION: Morton may cancel this purchase order (a) any time prior to Morton's receipt from Vendor of the enclosed Acknowledgement or Acceptance Form; (b) if this purchase order is not so acknowledged within a reasonable time; (c) if belivery or performance is not completed within a reasonable time after the relevant date(s) specified in the purchase order or this Contract; (d) if the Goods or Services are not as warranted, or not as specified, or not in accordance with submitted specifications, documentation, samples and/or other information; (e) if the shipment is made upon different terms from those specified in the purchase order and/or this Contract; (f) if Vendor violates any applicable statute, regulation, ruling or order of any governmental body or agency; or (g) if Vendor is in breach of warranty or breach of contract or in default in any other way under this Contract. Written notice of Morton's cancellation shall relieve Morton of all obligations to Vendor hereunder, but Vendor shall remain liable to Morton for any and all breaches including, without limitation, breaches of warranty or contract that preceded or result from said cancellation or breach.

# 11. SUSPENSION/TERMINATION:

(a) Morton shall always be entitled, even though Vendor is not in breach of any obligation, to suspend the order, or to terminate the order in whole or in part, by giving three (3) days' advance notice to Vendor. Vendor shall be obligated to mitigate its costs related to any such suspension or termination. In the event of termination as described herein, as Vendor's sole and exclusive recourse, Vendor may charge Morton reasonable and documented costs incurred up to the time Morton provides notice of termination relating to the applicable purchase order. Morton shall be entitled, in its sole discretion, to take delivery of, or otherwise retain, keep and use anything for which it is being charged by Vendor hereunder. In no event shall Vendor be entitled to recover any indirect, special, consequential, punitive or similar type(s) of damages, losses or costs arising out of or related to Morton's suspension or termination of any applicable purchase order for convenience.

(b) In the event Vendor fails to comply with any material term or condition of the Contract, Morton shall be entitled, by notice to Vendor and without prejudice to any other remedy available under this Contract, at law or in equity, to terminate the applicable purchase order in whole or in part without any further liability or obligation, to recover from Vendor all monies paid by Morton to Vendor in respect thereof, obtain cover goods and/or alternate Services through an alternative supplier or provider and recover from Vendor the difference between the cost of cover and the price set forth in the applicable purchase order, plus any incidental costs and any reasonable costs or expenses incurred by Morton to remove any

defective goods or services and install, implement and/or obtain replacement goods and/or services.

(c) If Morton has a reasonable basis to believe that the financial condition of Vendor imperils Vendor's performance of a purchase order, Morton may demand, and Vendor shall promptly furnish at Vendor's cost, a bond with such surety or sureties, or such other assurances reasonably acceptable to Morton covering the full and faithful performance of the applicable purchase order by Vendor.

(d) Upon Morton's request at any time, and/or upon termination or suspension of this Contract for any reason, Vendor shall promptly return to Morton or, at Morton's request, destroy all (i) work product created by Vendor or its agents or employees, (ii) confidential information, and/or (iii) materials, data and any other items created under or in connection with this Contract. Additionally, upon termination or suspension of this Contract, Vendor shall promptly return to Morton all Morton property, equipment, supplies, and materials including, without limitation, any information pertaining to Morton's customers and/or any other items that pertain or relate to, or include, Morton customer information or any other information created in connection with this Contract. Morton may withhold any outstanding payments until Vendor complies with this subsection, in addition to any other remedies available at law or in equity. This subsection shall survive termination or suspension of this Contract.

#### 12. PERMITS, LAWS AND REGULATIONS:

(a) Vendor shall, at its own expense, obtain all necessary permits, certificates, licenses and bonds required to perform and provide the Services or Goods, and shall comply with all applicable Federal, State and local laws, ordinances, rules and regulations in carrying on its business and in performing or providing the Goods or Services. Vendor shall bear all costs, expenses, damages and fines arising out of violation of any such laws, ordinances, rules or regulations by Vendor or any agent, including all costs and expenses of conforming the Goods or Services to the requirements thereof.

(b) Without limiting the generality of the foregoing, Vendor specifically agrees to comply with all environmental laws; the Occupational Safety and Health Act of 1970, as amended; the Mine Safety and Health Act of 1977, as amended, and the respective standards and regulations issued thereunder; the Fair Labor Standards Act as amended and orders, rules and regulations issued thereunder; the Walsh-Healy Public Contracts Act, if applicable; all applicable Federal, State and local laws, orders, rules and regulations relating to employment of the handicapped or other covered or protected group (including but not limited to Public Law 93112 and any orders, rules and regulations issued thereunder); all applicable Federal, State and local laws, orders, rules and regulations relating to discrimination in employment (including but not limited to Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 793; Section 402 of the Vietnam Veterans Readjustment Assistance Act of 1974, as amended, 38 USC U.S.C. 4212; Executive Order 13496; and Worker's Compensation laws, all of which are specifically incorporated herein by reference. To the extent required by Morton or applicable law, Vendor shall obtain equivalent compliance agreements or commitments from its agents, vendors, contractors and/or suppliers and shall maintain said agreements or commitments in its files.

(c) Vendor certifies that all Goods furnished under this Contract, and/or any Services or other activity performed by Vendor or any Vendor subcontractor on Morton's premises, will conform to and comply with all applicable laws, as well as to Morton's policies, rules and regulations. Vendor further agrees to indemnify and hold harmless Morton from and against all damages assessed against Morton as a result of Vendor's failure to comply with all applicable laws, and for the failure of the Goods furnished and/or Services performance, or other failure to perform, resulting from Vendor's failure to comply with the provisions of all applicable laws and/or Morton's rules and regulations shall not be deemed an excusable delay or otherwise excuse Vendor from any type of performance hereunder.

(d) Unless exempt, Vendor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment qualified individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. If applicable, Vendor shall also abide by the requirements 41 CFR § 61-300.10 regarding veterans' employment reports and 29 CFR Part 471, Appendix A to Subpart A regarding posting a notice of employee rights.

# **13. WARRANTIES:**

#### (a) For Goods.

(i) By accepting the applicable purchase order and/or this Contract and by shipping or performing as herein requested, Vendor agrees, represents and warrants that the Goods (a) are free from any claim of any third party, including infringement claims, (b) are free from defects in title, design, material and workmanship, and comply with all specifications and descriptions communicated to Vendor; (c) are equal to the samples, if any, upon which this Contract is based; (d) are true net weight, measure, contents and sizes as per U.S. Federal and State standards (if and as applicable); (e) are merchantable; (f) are free from patent and latent defects; (g) are fit for the particular purpose for which Morton intends to use the Goods, provided Vendor knows or has any reason to know of said purpose; (h) are as represented by Vendor's authorized agents; (i) shall, unless otherwise agreed upon in writing by Morton, be completely new throughout and shall not contain any rebuilt, reconditioned, repaired and/or used parts, components or materials and (j) are produced, packaged, labeled and shipped in compliance with all applicable Federal, State and local laws, regulations, rulings and orders, including but ADPU 2001

not limited to the Federal Food, Drug and Cosmetic Act; the Consumer Products Safety Act; the Fair Labor Standards Act of 1938, as amended; Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 793, Section 402 of the Vietnam Veterans Readjustment Assistance Act of 1974, as amended, 38 U.S.C. 4212; Executive Order 13496. All representations and/or warranties, including those set forth herein and elsewhere in this Contract, shall be continuing and shall survive acceptance of the Goods. The warranties specified herein shall be in addition to, and not in place of, any other express or implied warranties or representations given to Morton.

(ii) Unless otherwise specified in the Contract, Vendor warrants due performance of the Goods for a period of two (2) years after they are put into service. Claims made under this warranty shall suspend the warranty period until Vendor has remedied the default at no cost to Morton, and the warranty period will be extended accordingly.

(iii) If any Goods at any time are found not to be as represented and/or warranted, Morton shall have the option, by notice to Vendor, at Morton's sole and absolute discretion: (a) to rescind the Contract according to the provisions of Section 11 above; (b) to accept such Goods with an equitable reduction in price; or (c) to reject such nonconforming Goods and require delivery of replacement Goods (including the removal of the defective Goods installed and installation of the replacement Goods or the making of necessary repairs, all at Vendor's expense. All Goods rejected for any reason will be returned to Vendor, at Vendor's risk and sole expense, or will be stored at Vendor's risk in Morton's warehouses. After thirty (30) days following notification of rejection, Vendor shall be liable to pay warehouse storage charges for the Goods.

(iv) If Vendor fails to deliver suitable replacements or make repairs promptly or urgently as the case may be, Morton shall be entitled to obtain cover Goods through an alternative supplier and recover from Vendor the difference between the cost of cover and the price set forth in the applicable order, plus any incidental costs and any reasonable costs to remove the defective Goods and install the cover Goods.

(b) For Services. Vendor represents and warrants to Morton that Vendor has good and absolute title to all materials and equipment furnished under this Contract in connection with Vendor's performance of Services; that all such materials and equipment will be new, unless otherwise specified; and that all Services will be of good quality, free from faults and defects in design, material and workmanship and in full conformance with all aspects of this Contract. If required by Morton, Vendor shall furnish satisfactory evidence as to the kind and quality of materials and equipment used, or to be used, in connection with Vendor's performance of Services. In addition to any performance guarantee or other guarantee or representation or warranty of Vendor, and in addition to any other rights and/or remedies provided to Morton hereunder, at law or in equity, Vendor agrees to correct or replace, free of charge or expense to Morton, any defective labor, workmanship, materials or Service performed or furnished under this Contract in connection with Vendor's performance of Services for a period of one (1) year after the Services are completed and accepted by Morton. In the case of hidden or latent defects with respect to the Services, the one-year limitation shall not apply.

# 14. INDEMNIFICATION:

(a) Vendor agrees to indemnify, defend and hold harmless Morton, its parent, subsidiary, and affiliated entities and each of their respective successors, assigns, agents, officers, directors, shareholders, employees, representatives, customers and invitees (collectively, "Indemnitees") from and against any and all liability, claim, loss, damage, action, suit, cost or expense (including attorneys' fees) for injuries or death to persons or damage to property, including but not limited to employees and property of Morton and Vendor, resulting from, arising out of, or in any way related (directly or indirectly) to: (i) any act, omission, neglect or default of or by Vendor or of any of its officers, employees or agents (including the agents, officers or employees of either of them); (ii) Vendor's performance or failure to perform (or that of any of its officers, employees and/or agents); (iii) any actual or alleged death, personal injury, property damage or any other damage or loss by whomsoever suffered, resulting or arising, in whole or in part, from the manufacture, use, purchase, sale or transportation of the Goods or performance (or lack of performance) of the Services; (iv) any claims, costs or expenses arising under any Workers' Compensation laws; (v) any breach of warranty, promises or covenants herein, or breach of contract, misrepresentation or false certification, or failure to exercise due care by Vendor, its agents or supplier; or (vi) any violation of applicable law.

(b) Vendor and Morton intend that if Vendor fails to fulfill any material term, condition or obligation of this Contract and that failure in any way causes any part of a claim, loss, damage, action, suit, cost or expense to or against Morton, its agents, employees or representatives, or if the fulfillment of the term, condition or obligation would have prevented or in any way minimized the loss, Vendor agrees to indemnify, defend and hold harmless Morton, its agents, employees or representatives. All indemnifications shall be continuing and shall survive termination of this Contract. Vendor shall be jointly and severally liable with its agents or suppliers for any acts, failures to act, omissions or breaches of or by any of its agents or suppliers. Morton may, at its option, be represented by and actively participate through its own counsel in any suit or action against any Indemnitee.

(c) Without limiting the generality of the terms contained in this Section 14, in the event an officer, employee, agent or representative of Vendor or of Vendor's suppliers or agents claims to have suffered an injury on Morton's premises and regardless of whom the Vendor's officer, employee, agent or representative claims is at fault for his injury, including allegations of active or passive negligence by Morton, Vendor will defend, indemnify and hold harmless Morton, its officers, directors, agents, employees and representatives from and against any claims, demands, actions and suits arising from such an injury. Vendor shall pay fully all settlements and judgments of such claims, demands, actions and suits.

(d) Vendor waives its rights to recover against Morton, its agents, officers, directors, shareholders, employees, representatives, customers, and invitees in subrogation or as subrogee for another party.

15. INTELLECTUAL PROPERTY; INFRINGEMENT: Vendor shall pay all royalties and/or license fees and shall defend all suits and claims whatsoever for alleged or actual infringement of any patent, invention, trade secret or trademark rights involving or pertaining to the Goods, the Services or any appliance or equipment (not furnished by Morton) used in furtherance of this Contract, and shall indemnify and hold Morton, its agents, officers, directors, shareholders, employees, representatives, customers and invitees harmless from and against any and all demands, claims, liabilities, damages, actions, causes of action, penalties, judgments, costs or expenses (including attorney fees) on account thereof. Morton may, at its option, be represented by and actively participate through its own counsel in any suit or action against the foregoing persons and entities.

#### 16. RIGHTS AND REMEDIES:

### (a) For Services.

(i) If, at any time, Vendor fails to perform the Services as required hereunder, or it appears to Morton that Vendor will be unable or is unwilling to so perform, or if Vendor commits or permits any other breach of this Contract, Morton, after three (3) days' notice to Vendor, may order, either directly or by contract, such labor and materials as in its judgment are required to complete or perform the Services or to correct any errors or omissions in the Services, and may charge the costs thereof, including taxes, insurance and overhead to Vendor. Said costs, together with any damages sustained by Morton, may be deducted from any unpaid balance due or to become due under this Contract, and Vendor shall remain liable to pay any costs or damages not so deducted.

(ii) If, in the judgment of Morton, any failure by Vendor shall be deemed material, Morton at its election may, by written notice to Vendor, promptly terminate or rescind this Contract and complete or perform the Services itself or contract the performance of the Services to others, without penalty to Morton or further obligation to pay Vendor. If Morton shall provide labor and materials for the account of Vendor or shall terminate or rescind this Contract as stated herein, Morton may take possession of and utilize in completing or performing the Services any materials, supplies, tools and equipment of Vendor as may then be on the premises.

(b) For Goods. Vendor agrees that when Morton is entitled to cancel this Contract, Morton may (a) reject shipment and return all Goods at Vendor's expense; (b) return at Vendor's expense all Goods received or accepted; (c) retain Goods which comply with the terms and conditions provided in this Contract and return any other Goods at Vendor's expense; and/or (d) sue Vendor to recover its cost of cover or any other allowable damages. Nothing in this Contract shall limit Morton's right to damages.

(c) The exercise of any right or remedy shall be without prejudice to Morton's right to exercise any other right or remedy provided in this Contract, by law or in equity. Morton's failure to inspect, to reject and return Goods or Services, or to notify Vendor of a complaint shall in no way affect the liabilities and obligations of Vendor. No payment, partial or final, by Morton shall be evidence of performance in whole or in part by Vendor, nor regarded as acceptance of any Goods and/or Services, nor relieve Vendor from liability under any guarantee or warranty.

(d) Morton shall have no liability for consequential, special, indirect, punitive and/or incidental damages including, without limitation, lost profits. Vendor's sole legal remedy shall be an action for the price of the Goods and/or the fees charged for performance of the Services.

### 17. CONFIDENTIAL INFORMATION; PROPRIETARY RIGHTS:

(a) Subject to Section 6 of this Contract, any written or verbal information, specifications, drawings, technical information, documents, data, trade secrets, manufacturing processes, business activities or other proprietary information furnished to Vendor hereunder, as well as any know-how, procedures and/or needs shall, at all times, remain Morton's property, shall be kept confidential during the performance of this Contract and for a period of five (5) years thereafter, shall not be disclosed to third parties without Morton's prior written consent (which may be withheld in Morton's sole discretion), shall be used only as authorized in writing and shall be returned to Morton at its request. Subject to the foregoing, such information may only be used for the performance of the Contract, or for the purpose of preparing offers or quotations that relate to Morton's business and/or request.

(b) The rights of ownership and copyrights in any designs, drawings, samples and other documents, data, materials or information delivered by or on behalf of Morton to Vendor belong, at all times, to Morton and such items shall not be duplicated or disclosed to third parties at any time without Morton's prior written consent, which may be withheld in Morton's sole discretion.

(c) Vendor shall not take any photographs, videotapes, motion picture or digital images or use any other visual or audio recording devices on any real property of Morton or its affiliates without, and in each instance where granted, only to the extent of, the prior written approval of Morton, which may be withheld in Morton's sole discretion.

(d) Upon Morton's request, Vendor shall execute any additional agreements or documents as Morton may reasonably request to achieve the purpose described herein.

18. NO LIENS: In addition to any similar terms contained in this Contract, Vendor shall not file, and shall not permit any employee, agent, subcontractor or other third party to file, any lien, claim or encumbrance against Morton's or any of its subsidiaries' or affiliates' property. Morton may withhold any payment due Vendor under this Contract or REV: APRIL 2021 any purchase order until all liens, claims or encumbrances of Vendor or its subcontractors are released. Morton may take whatever action it deems necessary to secure a release of any lien, claim or encumbrance. Morton may deduct its costs and expenses for securing the release of any lien, claim or encumbrance filed by Vendor or its subcontractors from any payments due under this Contract or any purchase order. At Morton's request, in the event that any subcontractor or third party files or threatens to file a lien, Vendor shall promptly purchase or otherwise secure a bond, at Vendor's sole cost and expense, to fully cover all amounts associated with, or claimed under, such lien(s).

# **19. INSURANCE:**

(a) Vendor (including any of its subcontractors or agents) shall obtain and maintain at its own expense WORKERS' COMPENSATION INSURANCE with statutory limits; COMMERCIAL GENERAL LIABILITY INSURANCE with a minimum combined single limit of liability of \$2,000,000 per occurrence (including broad form property damage and contractual liability); COMMERCIAL AUTOMOBILE LIABILITY INSURANCE with a minimum combined single limit of liability of \$1,000,000 per occurrence; and EMPLOYER'S LIABILITY INSURANCE with a minimum limit of liability of \$1,000,000. Vendor shall also carry Property Insurance that provides Contractor's equipment coverage to cover any and all of Vendor's own, or any of its subcontractors' or agents', equipment brought onto Morton's or its affiliates' site(s).

(b) At Morton's request, Vendor (including any of its subcontractors or agents) shall obtain and maintain additional insurance coverages and/or increased limits of liability (other than those shown in (a) above) as may be required either elsewhere in this Contract or due to the nature of the Goods being provided and/or Services being performed by Vendor or its subcontractors or agents under this Contract.

(c) All required insurance shall be endorsed to include Morton Salt, Inc., its parent(s), subsidiaries, and affiliated companies, and their respective successors, officers, directors, employees and agents as an additional insured; shall provide that Morton Salt, Inc., and its parents, subsidiaries, and affiliated companies shall not be stopped from recovery against Vendor under the policy due to being covered as an Additional Insured; and shall require a thirty (30) day advance notice of cancellation or reduction in coverage to be given to Morton. All insurers shall be licensed to do business in the state in which operations related to this Contract take place. All insurers will have a minimum AM Best rating of A-, Financial strength VII. The Workers' Compensation policy described herein shall contain a waiver of bubrogation by the Workers' Compensation insurance carrier in Morton's favor. All deductibles or self-insured retentions are the sole responsibility of Vendor.

(d) Vendor shall file certificates of insurance with Morton for all required insurance before undertaking any activity under this Contract and, at Morton's request, shall submit all required policies to Morton for examination. Any activity performed by Vendor, even with Morton's knowledge, before obtaining the required insurance or providing the required certificate(s) and/or policies shall not constitute a waiver by Morton of these requirements, and Morton may require Vendor to stop such activity until this section of this Contract has been complied with to Morton's satisfaction.

(e) Vendor's (including any subcontractor's or agent's) insurance coverage is always primary and Vendor (including any of its subcontractors or agents) will not seek any contribution from any insurance available to Morton. Any insurance afforded to Morton is strictly excess over any other insurance, whether primary, excess, contingent, or on any other basis afforded to Vendor or any of its subcontractors or agents. Morton will have no duty to defend any claim or suit that any other insurer has a duty to defend. Vendor agrees to have all rights of subrogation against Morton waived by Vendor's or any of its subcontractors' or agents' carriers of insurance.

(f) Vendor agrees to assure that any and all provisions of this Section 19 will be complied with by all of its subcontractors or agents providing Goods and/or performing any Services under this Contract. Vendor shall be responsible for any failure of its subcontractors or agents to comply with the terms of this Section 19.

**20. GOVERNING LAW:** All questions relating to the validity, interpretation or performance of this Contract shall be determined in accordance with the laws of the State of Illinois, excluding its conflict of laws provisions. All disputes arising out of this Contract or its performance shall be litigated in the Circuit Court of Cook County, Illinois, or the U.S. District Court for the Northern District of Illinois, Eastern Division. The UN Convention on Contracts for the International Sale of Goods of 1980, as amended or updated from time to time, shall not be applicable.

**21. SET OFF:** Morton may, without notice, deduct, withhold or set-off any amounts it or its subsidiaries and/or affiliates are owed or may be owed by Vendor from any amounts due or to become due to Vendor, whether under this Contract or other terms or agreements.

22. ASSIGNMENT; SUBCONTRACTING: Vendor may not assign this Contract without the prior written consent of Morton. Vendor shall not subcontract any obligations under this Contract without the prior written consent of Morton. Vendor shall retain all responsibility and liability for the acts and/or omissions of a subcontractor whether or not Morton provides its prior written consent as described herein. Morton shall have the right to assign this Contract, without the consent of Vendor, to any parent, subsidiary or affiliate of Morton or any successor to all or substantially all of Morton's assets (whether by a share, asset or other transaction).

23. SUPPLIER CODE OF CONDUCT: Vendor hereby agrees that the Morton Supplier Code of Conduct, available at <u>https://www.mortonsalt.com/article/supplier-code-of-conduct/</u>, is incorporated in this Contract by this reference.

24. EXPORT: Vendor warrants that it will comply with all applicable export control and economic sanctions laws and regulations when providing Goods or performing

Services hereunder. If applicable, Vendor shall identify any Goods and/or Services that may be subject to any export control requirements, including the U.S. Export Administration Regulations (15 CFR 730-744) or the International Traffic and Arms Regulations (22 CFR 120 ET SEQ), and will provide the classification numbers or categories associated with those items. Vendor also warrants that it will comply with all laws, rules, regulations and requirements which prohibit dealings and transactions with, or involve certain countries, territories, organizations, entities or individuals subject to economic sanctions by any governmental entity including, but not limited to, the U.S. Government.

**25. INDEPENDENT CONTRACTOR:** Vendor acknowledges that it is acting as an independent contractor, that Vendor is solely responsible for its actions or inactions, and that nothing in any applicable purchase order or this Contract will be construed to create an agency or employment relationship between Vendor and Morton. Vendor is not authorized to enter into purchase orders, orders, contracts, understandings or agreements on behalf of Morton or to otherwise create obligations of Morton or its affiliates or subsidiaries to third parties.

26. OTHER PROVIDERS: Morton may award other contracts and Vendor agrees to cooperate fully with any other vendors or providers and to coordinate its performance hereunder with those other vendors or providers so that the provision of Goods and/or the performance of Services will be done in proper sequence and in accordance with the overall work schedule and Morton's business and other requirements. Vendor shall not commit or permit any act or omission which will interfere with the provision of Goods and/or the performance of Services by any other vendor or provider.

**27. CHANGES:** Morton may change its order for Goods and/or Services or make changes by altering, adding to, removing or deducting from the Goods and/or Services, but no changes shall be done or made, and no additional charge therefore shall be allowed, except upon Morton's written change order setting forth the agreement of the parties as to any changes in cost and/or extension of time. Any such changes shall be executed in full compliance with all terms and conditions of this Contract, except as modified by said change order.

**28. SAFETY AND HEALTH:** Vendor represents and warrants that all Goods delivered and/or Services performed will comply with, and be performed in accordance with all applicable Federal, State, local and Morton plant safety and health rules and regulations. Where variations exist between applicable laws, rules and/or regulations, the most stringent requirements will be deemed applicable hereunder. Vendor will adequately protect its own activities from damage and will take all necessary precautions during the provision of the Goods and/or performance of the Services to protect all persons and the property of Morton and others from injury or damage. Vendor shall carefully inspect Morton's premises before starting any activity and from time to time for any dangerous conditions or activities in, on about said premises and shall give appropriate notice of dangerous conditions and activities by installing and maintaining such safety devices, guards, barricades, danger signs or other measures as shall be necessary to safeguard all persons against such conditions and activities however arising. Vendor shall be responsible for initiating, maintaining and supervising all safety precautions and programs involving its workers, employees, subcontractors, as well as the provision of the Goods and/or the performance of the Services under this Contract.

29. SUPERVISION AND WORK PROCEDURES: Vendor shall supervise and direct the provision of Goods and/or performance of Services, using its best skill and attention. Vendor shall be solely responsible for all services, methods, techniques, sequences and procedures for, and coordination of, the provision of Goods and/or performance of the Services under this Contract, except as otherwise expressly stated herein. Vendor shall enforce strict discipline and good order among its employees, agents and/or subcontractors, and shall not employ any unfit person or anyone not skilled in the task assigned. Vendor shall keep the premises free from accumulation of waste materials or rubbish caused by its performance or operations. At completion, Vendor shall remove its tools, equipment, machinery and surplus materials, and shall leave the premises in a clean, neat and orderly condition. Vendor shall have no authority to hold itself out to others as Morton's agent, or otherwise seek to bind Morton, or expense to Morton, any defective goods, labor, workmanship or materials performed or furnished under this Contract.

**30. LABOR AND MATERIALS:** Unless otherwise provided herein or accepted by Morton in writing, Vendor shall provide and pay for the labor, materials, equipment, tools and machinery, transportation and services necessary for the proper performance, execution and completion of this Contract, and no employees, tools, equipment or machinery of Morton shall be used in the performance of this Contract.

**31. MORTON-SPECIFIED PROPERTY:** If Morton provides to Vendor any materials, equipment or other property (collectively, the "**Equipment**") to assist Vendor in performing its obligations under this Contract, Vendor shall have and be deemed for the purposes of this Contract to have the care, custody, and control of, and shall protect from loss and damage, the Equipment until the Equipment is delivered back to Morton. Vendor shall upon completion of Services or upon earlier request of Morton, deliver and return the Equipment to Morton in the same condition as when delivered to Vendor. Vendor shall be solely responsible for operation of the Equipment and shall operate it in accordance with the odd operating procedure. Vendor shall pay the cost of repairing any damage to the Equipment not caused by ordinary wear and tear. Morton shall not be responsible or liable to Vendor, its employees and/or anyone acting on behalf of Vendor for any damages, losses, costs, injuries and/or any other claims that are caused by or result from Vendor's receipt, possession, storage, use, repair and/or operation of Morton's Equipment.

**32. WORKERS' COMPENSATION IMMUNITY WAIVER:** With respect to Vendor's obligations hereunder, Vendor does hereby expressly and specifically waive its constitutional and statutory immunity from suit and causes of action provided to employers by Section 35, Article II of the Ohio Constitution and O.R.C Section 4123.74, as well as any other similar immunity provided for by any other statute, law or constitution of any applicable jurisdiction. For purposes of this section and the obligations contained herein, this Contract shall be deemed to be and construed as an insured contract.

**33.** LOUISIANA STATUTORY EMPLOYER RELATIONSHIP: For any Services performed in Louisiana and for the limited purposes of establishing a statutory employer relationship and gaining the benefits expressed in La. Rev. Stat. 23:1031 and La. Rev. Stat. 23:1061 when the Service is performed in Louisiana, Morton (as principal employer) and Vendor (as direct employer) mutually agree that it is their intention to recognize Morton as the statutory employer of employees of Vendor and its subcontractors while employees of Vendor and its subcontractors are performing Services under this Contract. This written recognition by the parties of the statutory employer relationship recognizes a relationship that has been in existence at all times since the date of this Contract.

**34. HEADINGS:** The headings of the sections in this Contract are inserted for convenience of reference only, and shall not be deemed a part of, nor affect the meaning or interpretation of, this Contract. This Contract will be interpreted fairly to both parties, and not in favor of one party against the other.

**35. SEVERABILITY:** If any provision of this Contract shall be held invalid, unenforceable, or in conflict with any law governing this Contract, the offending provision shall be deleted, and the remaining provisions of this Contract shall not be affected thereby.