

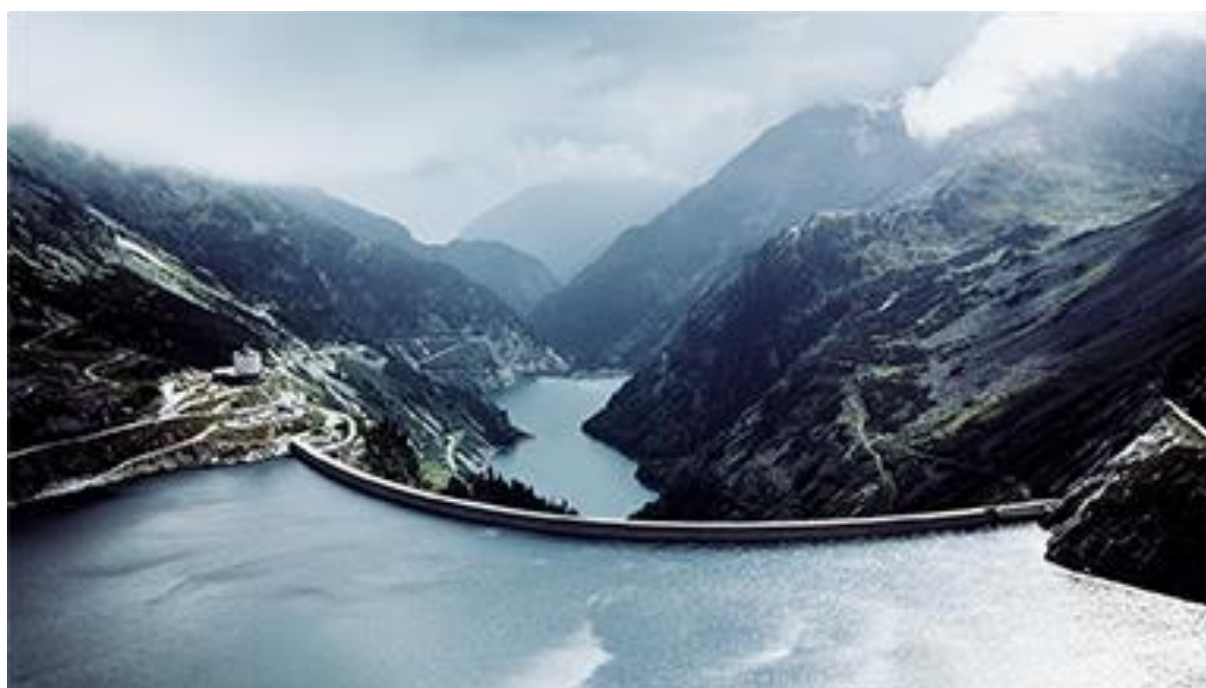


# Abiquiu – Supply and Installation of New Draft Tube

Proposal No.: 00-00-60919

Date: 04-01-25

Version No.: 01



**Customer:**

County of Los Alamos  
Department of Public Utilities  
Attn: Don Wichers  
Email: [donald.wichers@lacnm.us](mailto:donald.wichers@lacnm.us)

Contact: ANDRITZ HYDRO  
Division: Sales  
Proposal Manager: Garrett Powlas  
10735 David Taylor Dr, Suite 500  
Charlotte, NC 28262 / USA  
Phone: 704-731-8938  
[garrett.powlas@andritz.com](mailto:garrett.powlas@andritz.com)  
andritz.com





Dear Don,

As requested, Andritz would like to present you with a proposal for the supply of the Draft Tube for Abiquiu Dam. This proposal includes the field work required to replace the existing draft tube. Prices do not include Sale or Use Taxes.

Option A				
Item	Quantity	Description	Price / ea.	Price
1	1	Draft Tube according to ANDRITZ HYDRO drawings: 01-DT-F-09H009 (Draft Tube Elbow)	\$256,900.00	\$256,900.00
2	1	Engineering and Supply of Air Admission Piping	\$63,200.00	\$63,200.00
3	1	Mobilization and Disassembly	\$91,500.00	\$91,500.00
4	1	Assembly and Demobilization	\$126,900.00	\$126,900.00
		Total:		\$538,500.00

### Onsite Work

Based on 1 supervisor and 3 millwrights – working 6 x 10s

### Exclusions of Scope:

Air Admissions Valves

Engineering to establish the hydraulic shape of the turbine components, any cost of model tests, any reports on CFD or model test works.

Any pressure tests.

Any supply, study, erection, site inspection or service not clearly specified in this proposal.

Any fees, duties and taxes regarding the supply and the related services.

No Performance Guarantee

### Applicable Terms and Conditions:

Per ANDRITZ / Los Alamos Terms

### Payment Terms are as follows:

25% - Engineering and Final Design

35% - Procurement of Materials

10% - Disassembly of Existing Draft Tube

30% - Assembly of New Draft Tube

Any and all tariffs, duties, taxes, customs fees, or other charges imposed by any competent (governmental, regulatory or other) authority related to the goods or services under this proposal, whether existing or imposed after the proposal date, shall be borne solely by the Customer to the exclusion of the Supplier, regardless of any conflicting terms and conditions issued by or on behalf of the Customer.



**Delivery Terms:**

- DAP Site, according to INCOTERMS 2020.
- 8 months delivery from completion of engineering
- Please note that standard time quoted may be extended due to unforeseen supply chain interruptions.

**Validity of Offer:**

Offer is valid for 30 days

The information contained in this transmission is confidential and intended only for the use of the addressee. You may not copy or deliver this message to anyone else but the addressee. If you received this facsimile by mistake, please telephone the nominated office. Thank you.

Regards,

*Matt Hartley*  
Matt Harley

## TERMS AND CONDITIONS OF SALE AND/OR SERVICE

### 1. TERMS APPLICABLE

(a) These Terms and Conditions of Sale and/or Service are the only terms which govern the sale of the products, equipment, or parts and/or the provision of services ("Products" and "Services") and/or the license of certain Software (as defined herein) pursuant to the quotation or acknowledgement of the Andritz entity supplying the same ("Seller") or Buyer's purchase order or other written document issued by Buyer. These Terms and Conditions of Sale and/or Service control, supersede and replace any and all other additional and/or different terms and conditions of Buyer, and Seller hereby objects to and rejects all such terms and conditions of Buyer without further notification, except to the extent Seller expressly agrees to such conditions in writing. Buyer's authorization for Seller to commence work under the Agreement or Buyer's acceptance of delivery of or payment for any Products, Services or Software covered by this Agreement, in whole or in part, shall be deemed Buyer's acceptance of these Terms and Conditions of Sale and/or Service. The term "Agreement" as used herein means (1) these Terms and Conditions of Sale and/or Service, (2) Seller's quotation or acknowledgment together with any attachment thereto and any documents expressly incorporated by reference, and (3) Buyer's purchase order or other written document issued by Buyer, together with any attachment thereto and any documents expressly incorporated by reference (but excluding any Buyer terms and conditions attached thereto or incorporated therein by reference). In the event of a conflict between any documents forming the Agreement, such documents shall be construed in the above-listed order of precedence.

(b) Prior to Buyer's acceptance of any Seller quotation in which these Terms and Conditions of Sale and/or Service are incorporated, in the event that the introduction of new tariffs, levies, duties, taxes, regulation, or any type of legislation by a domestic or foreign government has the effect of increasing the price of the quoted Products, Services, and/or Software, Seller reserves its right to adjust its quoted price in order to reflect these increases in cost. Nothing in this document, or any of the applicable contractual documentation shall be construed as a waiver of this right.

### 2. DELIVERY OR PERFORMANCE; RISK OF LOSS AND TITLE

(a) Delivery or performance dates are good faith estimates and do not mean that "time is of the essence." Buyer's failure to promptly make advance or interim payments, supply technical information, drawings and approvals will result in a commensurate delay in delivery or performance. If the parties have agreed to liquidated damages in this Agreement for Seller's delay in achieving certain milestones, (i) the parties acknowledge and agree that Buyer's damages for Seller's delay are difficult to predict with any certainty, and such liquidated damages are not a penalty but a reasonable estimate of Buyer's delay damages; (ii) such liquidated damages shall not exceed an aggregate value of five percent (5%) of the Agreement price and shall be Buyer's exclusive remedy for any delay by Seller in performing any of its obligations under this Agreement; and (iii) Buyer agrees Seller shall not be liable for liquidated damages if Seller's delay in achieving a milestone subject to liquidated damages has not delayed Buyer's ability to use the applicable Products, Software and/or Services.

(b) Upon and after delivery, risk of loss or damage to the Products shall be Buyer's. Delivery of the Products hereunder will be made on the terms agreed to by the parties as set forth in this Agreement. Title to the Products shall transfer to Buyer upon final payment therefor.

### 3. WARRANTY

(a) Product Warranty. Seller warrants to Buyer that the Products manufactured by it will be delivered free from defects in material and workmanship. This warranty shall commence upon delivery of the Products and shall expire on the earlier to occur of 12 months from initial operation of the Products and 18 months from delivery thereof (the "Warranty Period"). If during the Warranty Period Buyer discovers a defect in material or workmanship of a Product and gives Seller written notice thereof within 10 days of such discovery, Seller will, at its option, either deliver to Buyer, on the same terms as the original delivery was made, a replacement part or repair the defect in place. Any repair or replacement part furnished pursuant to this warranty is warranted against defects in material and workmanship for one period of 12 months from completion of such repair or replacement, with no further extension. Seller will have no warranty obligations for the Products under this Paragraph 3(a): (i) if the Products have not been stored, installed, operated and maintained in accordance with generally approved industry practice and with Seller's specific written instructions; (ii) if the Products are used in connection with any mixture or substance, operating condition or operating environment other than that for which they were designed; (iii) if Buyer fails to give Seller such written 10 day notice; (iv) if the Products are repaired or modified by someone other than Seller or have been intentionally or accidentally damaged; (v) for corrosion, erosion, ordinary wear and tear or in respect of any parts which by their nature are exposed to severe wear and tear or are considered expendable; or (vi) for expenses incurred for work in connection with the removal of the defective articles and reinstallation following repair or replacement. With respect to any Product or part thereof not manufactured by Seller, Seller shall pass on to Buyer only those warranties made to Seller by the manufacturer of such Product or part which are capable of being so passed on.

(b) Services Warranty. Seller warrants to Buyer that the Services performed will be free from defects in workmanship and will conform to any mutually agreed upon specifications. If any failure to meet this warranty appears within 12 months from the date of completion of the Services, on the condition that Seller be promptly notified in writing thereof, Seller as its sole obligation for breach of this warranty will correct the failure by re-performing any defective portion of the Services furnished. Seller does not warrant the accuracy of, or performance results of, any conclusions or recommendations provided, nor that any desired objective will result from the Services provided and Seller shall not be liable for any loss of use or any production losses whatsoever.

(c) **THE EXPRESS WARRANTIES SELLER MAKES IN THIS PARAGRAPH 3 ARE THE ONLY WARRANTIES IT WILL MAKE. THERE ARE NO OTHER WARRANTIES, WHETHER STATUTORY, ORAL, EXPRESS OR IMPLIED. IN PARTICULAR, THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

(d) The remedies provided in Paragraphs 3(a) and 3(b) are Buyer's exclusive remedy for breach of warranty.

### 4. LIMITATION OF LIABILITY

Notwithstanding any other provision in this Agreement, the following limitations of liability shall apply to the maximum extent permitted by applicable law:

(a) In no event shall Seller, its officers, directors, employees, subcontractors, suppliers or affiliated companies be liable for loss of profits, revenue or business opportunity, loss by reason of shutdown of facilities or inability to operate any facility at full capacity, or cost of obtaining other means for performing the functions performed by the Products or Software, loss of future contracts, claims of customers, cost of money or loss of use of capital, in each case whether or not foreseeable, or for any indirect, special, incidental or consequential damages of any nature resulting from, arising out of or connected with the Products, Services, Software or this Agreement or from the performance or breach hereof.

(b) The aggregate liability of Seller, its officers, directors, employees, subcontractors, suppliers or affiliated companies, for all claims of any kind for any loss, damage, or expense resulting from, arising out of or connected with the Products, Services, Software or this Agreement or from the performance or breach hereof, together with the cost of performing make good obligations to pass performance tests, if applicable, shall in no event exceed the Agreement price except with respect to Seller's indemnification obligations to Buyer pursuant to Section 16(a).

(c) The limitations and exclusions of liability set forth in this Paragraph 4 shall take precedence over any other provision of this Agreement and shall apply whether the claim of liability is based on contract, warranty, tort (including negligence), strict liability, indemnity, or otherwise. The remedies provided in this Agreement are Buyer's exclusive remedies.

(d) All liability of Seller, its officers, directors, employees, subcontractors, suppliers or affiliated companies, resulting from, arising out of or connected with the Products, Services or this Agreement or from the performance or breach hereof shall terminate on the third anniversary of the date of this Agreement.

(e) In no event shall Seller be liable for any loss or damage whatsoever arising from its failure to discover or repair latent defects or defects inherent in the design of goods serviced (unless such discovery or repair is normally discoverable by tests expressly specified in the scope of work under this Agreement) or caused by the use of goods by the Buyer against the advice of Seller. If Seller furnishes Buyer with advice or assistance concerning any products or systems that is not required pursuant to this Agreement, the furnishing of such advice or assistance will not subject Seller to any liability whether in contract, indemnity, warranty, tort (including negligence), strict liability or otherwise.

### 5. CHANGES, DELETIONS AND EXTRA WORK

Seller will not be required to make changes in the Products, Services or Software unless Buyer and Seller have executed a written change order for such change. Any such change order will include an appropriate adjustment to the Agreement price and/or schedule. If the change impairs Seller's ability to satisfy any of its obligations to Buyer, the change order will include appropriate modifications to this Agreement. Seller shall be entitled to a change order adjusting the Agreement price, schedule and/or any affected obligations of Seller if after the effective date of this Agreement (a) a change in applicable law, tariffs, levies, duties, taxes, regulations or ordinances; (b) any act or omission of Buyer, any other party for whom Buyer is responsible, or any third party or any error or change in Buyer-provided information should require a change in the Products, Services or Software or (c) a transport disruption involving the intercontinental shipment of goods or sea freight causes an increase in the cost (including, in the case of a transportation disruption, costs incurred to avoid or mitigate such disruption) or change in the schedule to supply the Products, Services or Software.

### 6. PAYMENT AND TAXES

Unless otherwise agreed by Seller in writing, payment terms are net 30 days from the date of Seller's invoice. All invoices are payable without deductions. Any payments which are overdue will accrue interest at the rate of 1% for each month or any portion thereafter the balance remains due. Seller's prices do not include any sales, use, excise or other taxes or customs duties, tariffs, levies, or fees unless expressly agreed in writing by Seller. In addition

to the price specified herein, the amount of any present or future sales, use, excise or other tax applicable to the sale or use of the Products, Software or Services and customs duties, tariffs, levies, or fees shall be billed to and paid by Buyer unless Buyer provides to Seller a tax-exemption certificate acceptable to the relevant taxing authorities.

#### **7. SECURITY INTEREST**

Not used.

#### **8. SET OFF**

Neither Buyer nor any of its affiliates shall have any right to set off claims against Seller or any of its affiliates for amounts owed under this Agreement or otherwise.

#### **9. INFRINGEMENT**

Unless the Products or any part thereof are designed to Buyer's specifications or instructions and provided the Products or any part thereof is not used in any manner other than as specified or approved by Seller in writing or modified by Buyer without the written consent of Seller, (i) Seller shall defend against claims made in a suit or proceeding brought against Buyer by an unaffiliated third party that any Product infringes a registered copyright or device claim of a patent issued as of the effective date of this Agreement in the country in which the Product will be operated, provided Seller is notified promptly in writing and given the necessary authority, information and assistance for the defense of such claims; (ii) Seller shall satisfy any judgment (after all appeals) for damages entered against Buyer on such claims; and (iii) if such judgment enjoins Buyer from using any Product or a part thereof, then Seller will, at its option: (a) obtain for Buyer the right to continue using such Product or part; (b) eliminate the infringement by replacing or modifying all or part of the Products; or (c) take back such Product or part and refund to Buyer all payments on the Agreement price that Seller has received for such Product or part. THE FOREGOING STATES THE ENTIRE LIABILITY AND OBLIGATIONS OF SELLER AND THE EXCLUSIVE REMEDY OF BUYER WITH RESPECT TO ANY VIOLATION OR INFRINGEMENT OF ANY PROPRIETARY RIGHTS BY THE PRODUCTS.

#### **10. SOFTWARE LICENSE AND WARRANTY**

If Buyer and Seller have not entered into a separate license agreement, the following Software Terms and Conditions apply to any embedded software produced by Seller and furnished by Seller hereunder:

(a) The Software, as described in the Agreement ("Software"), and all written materials or graphic files that are fixed in any tangible medium and that relate to and support the Software ("Documentation"), and all present and future worldwide copyrights, trademarks, trade secrets, patents, patent applications, mask work rights, moral rights, contract rights, and other proprietary rights recognized by the laws of any country inherent therein, including all changes and improvements requested or suggested by Buyer in the support and maintenance of the Software are the exclusive property of Seller ("Seller's Intellectual Property Rights"). All rights in and to the Software not expressly granted to Buyer in the Agreement are reserved by Seller. Nothing in this Agreement will be deemed to grant, by implication, estoppel, or otherwise, a license under any of Seller's existing or future patents. Software will not include any upgrades, new versions, releases, enhancements, or updates to the Software, unless agreed to by Seller in writing and at its sole discretion. To the extent any upgrades, new versions, releases, enhancements, or updates to the Software are provided by Seller, the term "Software" shall be deemed to include such upgrades, new versions or releases, enhancements, or updates. To the extent any ownership right arises in Buyer with respect to the above, Buyer hereby assigns all of its right, title, and interest in and to any intellectual property embodied in the Seller's Intellectual Property Rights, including enforcement rights, to Seller without the payment of any additional consideration thereof either to Buyer, or its employees, agents, or customers and agrees to execute any documents Seller deems necessary to effect such assignment.

(b) Seller hereby grants to Buyer a non-exclusive, non-transferable, non-sub-licensable, revocable license to install, run, and use the Software only in connection with configuration of the Products and operating system for which the Software is ordered hereunder, and for the end-use purpose stated in this Agreement. Buyer agrees that neither it nor any third party shall modify, reverse engineer, decompile or reproduce the Software, except Buyer may create a single copy for backup or archival purposes in accordance with the Documentation (the "Copy"). Buyer's license to use the Software and the Copy of such Software shall terminate upon any breach of this Agreement by Buyer. All copies of the Software, including the Copy, are the property of Seller, and all copies for which the license is terminated shall be returned to Seller, or deleted from Buyer's computer systems, with written confirmation after termination.

(c) Seller warrants that, on the date of shipment of the Software or the Products containing the Software to Buyer: (1) the Software media contain a true and correct copy of the Software and are free from material defects; (2) Seller has the right to grant the license hereunder; and (3) the Software will function substantially in accordance with the related Seller operating documentation. In no event does Seller warrant that the Software is error free or that Buyer will be able to operate the Software without impairments or interruptions. In addition, due to the continual development of new techniques for intruding upon and attacking networks, Seller does not warrant that the Software or any equipment, system, or network on which the Software is used will be free of vulnerability to intrusion or attack.

(d) If within 12 months from the date of delivery of the Software or Products containing the Software, Buyer discovers that the Software is not as warranted above and notifies Seller in writing prior to the end of such 12 month period, and if Seller determines that it cannot or will not correct the nonconformity, Buyer's and Buyer's Seller-authorized transferee's exclusive remedies, at Seller's option, are: (1) replacement of the nonconforming Software; or (2) termination of this license and a refund of a pro rata share of the Agreement price or license fee paid.

(e) If any infringement claims are made against Buyer arising out of Buyer's use of the Software in a manner specified by Seller, Seller shall: (i) defend against any claim in a suit or proceeding brought by an unaffiliated third party against Buyer that the Software violates a registered copyright or a confidentiality agreement to which Seller was a party, provided that Seller is notified promptly in writing and given the necessary authority, information and assistance for the defense and settlement of such claims (including the sole authority to select counsel and remove the Software or stop accused infringing usage); (ii) Seller shall satisfy a final judgment (after all appeals) for damages entered against Buyer for such claims, so long as such damages are not attributable to willful conduct or sanctioned litigation conduct; and (iii) if such judgment enjoins Buyer from using the Software, Seller may at its option: (a) obtain for Buyer the right to continue using such Software; (b) eliminate the infringement by modifying the Software or replacing it with a functional equivalent (in which case, Buyer shall immediately stop use of the allegedly infringing Software); or (c) take back such Software and refund to Buyer all payments on the Agreement price that Seller has received. However, Seller's obligations under this Paragraph 10 shall not apply to the extent that the claim or adverse final judgment relates to: (1) Buyer's running of the Software after being notified to discontinue; (2) non-Seller software, products, data or processes; (3) Buyer's alteration of the Software; (4) Buyer's distribution of the Software to, or its use for the benefit of, any third party not approved in writing by Seller; or (5) Buyer's acquisition of confidential information (a) through improper means; (b) under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (c) from a third party who owed to the party asserting the claim a duty to maintain the secrecy or limit the use of the confidential information. Buyer will reimburse Seller for any costs or damages that result from actions 1 to 5. THE FOREGOING PROVISIONS OF THIS SECTION 10(e) STATE THE ENTIRE LIABILITY AND OBLIGATIONS OF SELLER AND THE EXCLUSIVE REMEDY OF BUYER, WITH RESPECT TO ANY VIOLATION OR INFRINGEMENT OF ANY PROPRIETARY RIGHTS UNDER SECTION 10, INCLUDING BUT NOT LIMITED TO PATENTS AND COPYRIGHTS, BY THE SOFTWARE OR ANY PART THEREOF.

(f) This warranty set forth in subparagraph (c) above shall only apply when: (1) the Software is not modified by anyone other than Seller or its agents authorized in writing; (2) there is no modification in the Products in which the Software is installed by anyone other than Seller or its agents authorized in writing; (3) the Products are in good operating order and installed in a suitable operating environment; (4) the nonconformity is not caused by Buyer or a third party; (5) Buyer promptly notifies Seller in writing, within the period of time set forth in subparagraph (c) above, of the nonconformity; and (6) all fees for the Software due to Seller have been timely paid. SELLER HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH REGARD TO THE SOFTWARE, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COURSE OF DEALING AND USAGE OF TRADE.

(g) Buyer and its successors are limited to the remedies specified in this Paragraph 10.

(h) Any subsequent modifications or enhancements to the Software made by Seller are, at Seller's option, subject to a fee.

#### **11. SITE RISKS**

(a) Site Conditions. The parties acknowledge and agree that as to conditions at the project site, Seller is relying upon information provided by Buyer. If Seller becomes aware of any subsurface, concealed, or differing condition, environmental hazard or violation of any environmental law or regulation, Seller will immediately suspend performance of the work in the affected area and notify Buyer. Buyer acknowledges that it will assume the risk of any increased costs and changes to the schedule that may result from such conditions. If Buyer does not immediately remediate such conditions, Seller may either suspend performance of all work or terminate this Agreement.

(b) Environmental Remediation. Buyer acknowledges that Seller is not an expert in environmental remediation and shall not be directed by change order or otherwise to perform any environmental remediation as part of the Services, including but not limited to asbestos and lead paint removal. If any environmental remediation becomes necessary, Buyer will contract directly with a qualified third party to perform such work.

#### **12. TERMINATION**

(a) Either party may terminate this Agreement upon breach by the other party of a material obligation hereunder and such party's failure to cure, or to commence a cure of, such breach within a reasonable period of time (but not less than 30 days) following written receipt of notice of the same.

(b) Buyer may only terminate this Agreement for Buyer's convenience only if Buyer elects not to proceed with the project for which the Products and /or Services are purchased and upon written notice to Seller and payment to Seller of Seller's termination charges, which

shall be specified to Buyer and shall take into account among other things expenses (direct and indirect) incurred and commitments already made by Seller and overhead, plus a termination fee equal to 10% of the Agreement price. In case of such termination, the licenses granted in Paragraphs 10 and 13 hereof shall terminate.

(c) Seller shall have the right to suspend its obligations under this Agreement if payment is not received within 30 days of due date. In the event of the bankruptcy or insolvency of Buyer or in the event of any bankruptcy or insolvency proceeding brought by or against Buyer, Seller shall be entitled to terminate any order outstanding at any time during the period allowed for filing claims against the estate and shall receive reimbursement for its cancellation charges.

### 13. INTELLECTUAL PROPERTY; CONFIDENTIALITY

(a) All intellectual property embodied in the Products, Services and Software provided to Buyer is the property of Seller, and any intellectual property developed, at least in part, by Seller under this Agreement is and remains the sole and exclusive property of Seller. Further, Seller shall have the right to collect and use data generated by the Products, Software or Services supplied hereunder.

(b) Buyer acknowledges that the information that Seller submits to Buyer in connection with this Agreement and the performance hereof may be Seller's confidential and proprietary information. Buyer agrees not to disclose any such confidential or proprietary information to third parties without Seller's prior written consent. Seller grants to Buyer a non-exclusive, royalty-free, non-transferrable license to use Seller's confidential and proprietary information disclosed hereunder for the purpose of the installation, operation, maintenance and repair of the Products that are the subject of this Agreement only; provided, however, that Buyer further agrees not to, and not to permit any third party to, analyze, measure the properties of, or otherwise reverse engineer the Products or any parts thereof, fabricate the Products or any parts thereof from Seller's drawings or to use the drawings other than in connection with this Agreement. Any copies of Seller's confidential and proprietary information shall remain Seller's property and may be reclaimed by Seller at any time in the event Buyer is in breach of its obligations under this Paragraph 13, or in case of Buyer's termination pursuant to Paragraph 12(b).

### 14. END USER

If Buyer is not the end user of the Products sold hereunder (the "End User"), then Buyer will use its best efforts to obtain the End User's written consent to be bound to Seller by the provisions hereof.

### 15. FORCE MAJEURE

(a) Force Majeure Defined. For the purpose of this Agreement "Force Majeure" will mean all events, whether or not foreseeable, beyond the reasonable control of either party which affect the performance of this Agreement, including, without limitation, acts of God, acts or advisories of governmental or quasi-governmental authorities, laws or regulations, strikes, lockouts or other industrial disturbances, acts of public enemy, wars, insurrections, riots, epidemics, pandemics, outbreaks of infectious disease or other threats to public health, lightning, earthquakes, fires, storms, severe weather, floods, sabotage, delays in transportation, rejection of main forgings and castings, lack of available shipping by land, sea or air, lack of dock lighterage or loading or unloading facilities, inability to obtain labor or materials from usual sources, serious accidents involving the work of suppliers or sub-suppliers, thefts and explosions.

(b) Suspension of Obligations. If either Buyer or Seller is unable to carry out its obligations under this Agreement due to Force Majeure, other than the obligation to make payments due hereunder, and the party affected promptly notifies the other of such delay, then all obligations that are affected by Force Majeure will be suspended or reduced for the period of Force Majeure and for such additional time as is required to resume the performance of its obligations, and the delivery schedule will be adjusted to account for the delay.

(c) Option to Terminate. If the period of suspension or reduction of operations will extend for more than four (4) consecutive months or periods of suspension or reduction total more than 6 months in any 12 month period, then either Buyer or Seller may terminate this Agreement, and Buyer shall pay to Seller all costs, including overhead and an appropriate proportion of the 10% termination fee, incurred to the date of termination and costs incurred arising out of the termination.

(c) Strikes On-Site. Notwithstanding anything herein to the contrary, in the event a strike, lockout, blockage, slowdown, labor, union or other industrial disturbance at Buyer's site affects, delays, disrupts or prevents Seller's performance of this Agreement, Seller shall be entitled to a change order containing an appropriate adjustment in the Agreement price and delivery schedule.

### 16. INDEMNIFICATION AND INSURANCE

(a) Indemnification. Seller agrees to defend and indemnify Buyer from and against any third-party claim for bodily injury or damage to tangible property ("Loss") arising in connection with the Products or the Services provided by Seller hereunder, but only to the extent such Loss has been caused by the negligence, willful misconduct or other legal fault ("Fault") of Seller. Buyer shall promptly tender the defense of any such third-party claim to Seller. Seller shall be entitled to control the defense and resolution of such claim, provided that Buyer shall be entitled to be represented in the matter by counsel of its choosing at Buyer's sole expense. Where such Loss results from the Fault of both Seller and Buyer or a third party,

then Seller's defense and indemnity obligation shall be limited to the proportion of the Loss that Seller's Fault bears to the total Fault.

(b) Insurance. Seller shall maintain commercial general liability insurance with limits of \$2,000,000 per occurrence and in the aggregate covering claims for bodily injury (including death) and physical property damage arising out of the Products or Services. Seller shall also provide workers' compensation insurance or the like as required by the laws of the jurisdiction where the Services will be performed, and owned and non-owned auto liability insurance with limits of \$1,000,000 combined single limit. Seller will provide a Certificate of Insurance certifying the existence of such coverages upon request.

### 17. EXPORT CONTROL AND ECONOMIC SANCTIONS COMPLIANCE

(a) Buyer recognizes that any Products and Software that are the subject of this Agreement and originate in the U.S. remain subject to U.S. export control and economic sanctions laws and regulations even after such Products are exported from the U.S. (if applicable), and even though such Products and Software have been purchased in and, if applicable, exported from Canada. Buyer certifies that such Products and Software will not be diverted, transshipped, re-exported, or otherwise transferred in contravention of any applicable export control and economic sanctions laws and regulations, nor will it allow the Products or Software to be incorporated into other products or used to make direct products thereof that are exported, re-exported, used, or transferred in violation of U.S. export control and economic sanctions laws and regulations. Buyer further affirms that such Products and Software will not be used, directly or indirectly, in any application involving missile technology, nuclear proliferation, or chemical and biological weapons proliferation. Without limiting the foregoing, Buyer will not, nor will it allow third parties to, export, re-export, or transfer any Products or Software to any person or entity that is the target of U.S. sanctions or is in Belarus, Crimea, Cuba, Iran, North Korea, Russia, Syria, the prohibited areas in Ukraine including Donetsk, Kherson, Luhansk, and Zaporizhzhia, or any other country or territory in violation of U.S. sanctions.

(b) Buyer shall be responsible for any breach of this provision by it, and its successors and permitted assigns, as well as its parents, affiliates, employees, officers, directors, partners, members, shareholders, customers, agents, distributors, resellers, or vendors ("Buyer Parties").

(c) Buyer shall, upon request of Seller, promptly provide all information necessary for Seller to ensure compliance with U.S. export control and economic sanctions laws and regulations, including but not limited to information related to end-users, end-uses, and destination countries.

### 18. SPECIAL CONDITIONS FOR PRESSURE VESSELS

For installation, repair, or maintenance Services on existing pressure vessels, piping and equipment, the following shall apply:

(a) Unless otherwise agreed and stated in the Agreement, Buyer shall be responsible for: (i) physically disconnecting and isolating vessels and equipment being repaired from existing piping and electrical power before Seller or any of its subcontractors start the Services, and take adequate precautions that re-connection and resumption of use does not take place until the Services are completed, and (ii) emptying the vessels and piping and freeing them from any toxic or harmful substances before the Services begin so that the vessels and piping are safe for Services to begin. Buyer shall maintain the area entirely free of combustible, toxic and asphyxiant substances and provide fire protection service until the Services are completed.

(b) If the Services are on an existing vessel or existing piping, the Buyer is responsible for determining the prior condition of the portion of the vessel or piping not involved in the Services, and its ability to withstand the Services and any tests that may be necessary.

(c) Buyer shall also be responsible for evaluating the effects of prior use of the vessel or piping upon structural adequacy, and the suitability of the vessel or piping for the service intended when the Services are completed.

(d) Seller has no obligation to provide any inspections or tests, and Buyer takes full responsibility for all necessary inspections and tests, including but not limited to, selection of testing personnel, type, location, frequency, and severity of any inspections and tests and all test results at any stage of the Services.

(e) Upon request of Seller, Buyer shall provide Seller with the history of the vessel, a statement of the tests to be performed and a statement of the proposed use of the vessel after completion of the Services, and

(f) If repairs are required: (i) Buyer will provide an Authorized Inspector ("AI") who will determine the scope of the Services to be done; (ii) Seller will provide Buyer with a proposed Quality Control ("QC") package specifying the methods and procedures that Seller will follow in performing the Services specified by the Buyer; (iii) the proposed QC package is subject to approval by the Buyer, and such approval must be provided before Services commence; (iv) after approval of the QC package, the Services shall be done in accordance with the QC package. At the option of the AI, hold points may be established for inspection during the course of the Services; and (v) upon completion of the Services, the AI shall inspect the Services and provide a signed acceptance that they have been completed in accordance with the QC package. Such acceptance by the AI shall establish completion of the Services.

### 19. TECHNICAL ASSISTANCE

Technical Assistance means that Seller's technician(s) and/or engineer(s) will assist Buyer during the performance of Buyer's site work in the interpretation of the related procedures provided by Seller. When providing Technical Assistance, Seller will not be required to

supervise or coordinate Buyer's labor force, perform measurements, complete or ensure the accuracy of quality control documents, or ensure the orderly sequencing of the site work, but Seller will advise Buyer of any non-conformances as recorded on the quality control documentation completed by Buyer, and counter sign such quality control documentation to confirm correction of such non-conformances. Notwithstanding the above or any other provision of the applicable Purchase Order, Seller shall have no authority, responsibility, liability or control over Buyer's or its suppliers' activities (and performance thereof), schedule and labor force, including for the execution, quality and/or workmanship of any installation services or site work. Therefore, Seller will not be responsible for the installation labor and Seller will not be liable for the quality and/or workmanship of the site work.

## 20. GENERAL

(a) Seller represents that any Products or parts thereof manufactured by Seller will be produced in compliance with all applicable federal, state and local laws applicable to their manufacture and in accordance with Seller's engineering standards. Seller shall not be liable for failure of the Products to comply with any other specifications, standards, laws or regulations.

(b) This Agreement shall inure only to the benefit of Buyer and Seller and their respective successors and assigns. Any assignment of this Agreement or any of the rights or obligations hereunder, by either party without the written consent of the other party shall be void.

(c) This Agreement contains the entire and only agreement between the parties with respect to the subject matter hereof and supersedes all prior oral and written understandings between Buyer and Seller concerning the Products and/or Services and any prior course of dealings or usage of the trade not expressly incorporated herein.

(d) This Agreement may be modified, supplemented or amended only with the mutual consent of the Parties, by a writing signed by an authorized representative of Seller and Buyer. Seller's waiver of any breach by Buyer of any terms of this Agreement must also be in writing and any waiver by Seller or failure by Seller to enforce any of the terms and conditions of this Agreement at any time, shall not affect, limit or waive Seller's right thereafter to enforce and compel strict compliance with every term and condition hereof.

(e) The invalidity or unenforceability of any provision of this Agreement pursuant to applicable law shall not affect the validity or enforceability of the remaining provisions and this Agreement shall be construed as if it did not contain the provision held invalid or unenforceable.

(f) All terms of this Agreement which by their nature should apply after the cancellation, completion or termination of this Agreement, including, but not limited to, Paragraphs 4, 13, 17 and 20, shall survive and remain fully enforceable after any cancellation, completion or termination hereof.

(g) (i) If Seller's office is located in the United States, this Agreement and the performance hereof will be governed by and construed according to the laws of the State of New Mexico.

(ii) If Seller's office is located in Canada, this Agreement and the performance hereof will be governed by and construed according to the laws of the Province of New Brunswick.

(h) (i) In the circumstances of g(i) above, any controversy or claim arising out of or relating to this Agreement, or the breach hereof, or to the Products or the Services provided pursuant hereto, shall be definitively settled by arbitration, to the exclusion of courts of law, administered by the American Arbitration Association ("AAA") in accordance with its Construction Industry Arbitration Rules in force at the time this Agreement is signed and to which the parties declare they will adhere (the "AAA Rules"), and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction over the party against whom enforcement is sought or having jurisdiction over any of such party's assets. The arbitration shall be conducted in Santa Fe New Mexico by a panel of three members, one of whom will be appointed by each of Buyer and Seller and the third of whom will be the chairman of the panel and will be appointed by mutual agreement of the two party appointed arbitrators. All arbitrators must be persons who are not employees, agents, or former employees or agents of either party. In the event of failure of the two party appointed arbitrators to agree within 45 days after submission of the dispute to arbitration upon the appointment of the third arbitrator, the third arbitrator will be appointed by the AAA in accordance with the AAA Rules. In the event that either of Buyer or Seller fails to appoint an arbitrator within 30 days after submission of the dispute to arbitration, such arbitrator, as well as the third arbitrator, will be appointed by the AAA in accordance with the AAA Rules.

(ii) In the circumstances of g(ii) above, any controversy or claim arising out of or relating to this Agreement, or the breach hereof, or to the Products or the Services provided pursuant hereto, shall be definitively settled under the auspices of the Canadian Commercial Arbitration Centre ("CCAC"), by means of arbitration and to the exclusion of courts of law, in accordance with its General Commercial Arbitration Rules in force at the time the Agreement is signed and to which the parties declare they will adhere (the "CCAC Rules"), and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction over the party against whom enforcement is sought or having jurisdiction over any of such party's assets. The arbitration shall be conducted in Saint John, New Brunswick by a panel of three arbitrators, one of whom will be appointed by each of Buyer and Seller and the third of whom will be the chairman of the arbitral tribunal and will be appointed by mutual agreement of the two party-appointed arbitrators. All arbitrators must be persons who are

not employees, agents, or former employees or agents of either party. In the event of failure of the two party-appointed arbitrators to agree within 45 days after submission of the dispute to arbitration upon the appointment of the third arbitrator, the third arbitrator will be appointed by the CCAC in accordance with the CCAC Rules. In the event that either of Buyer or Seller fails to appoint an arbitrator within 30 days after submission of the dispute to arbitration, such arbitrator, as well as the third arbitrator, will be appointed by the CCAC in accordance with the CCAC Rules.

(i) In the event this Agreement pertains to the sale of any goods outside the United States or Canada, the parties agree that the United Nations Convention for the International Sale of Goods shall not apply to this Agreement.

(j) The parties hereto acknowledge that a French copy of this Agreement was available and have expressly required that this Agreement be drawn up in English. Les parties aux présentes reconnaissent qu'une copie en français de la présente convention était disponible et ont expressément exigé que la présente convention soit rédigée en anglais. (k) If Seller's office is located in Canada, the following shall apply: Personal information means information that can directly or indirectly identify a natural person ("Personal Information"). With respect to any Personal Information disclosed by the Seller to the Buyer, the Buyer shall exercise diligence, shall use the Personal Information exclusively for the purpose disclosed, and shall at all times be in compliance with all applicable laws and regulations related to privacy, data security and/or otherwise related to the processing, storage, protection, transmission, use, destruction, and/or disclosure of data. If the Buyer identifies or is made aware of a cybersecurity or data privacy breach (each a "Privacy Incident") involving Personal Information disclosed by the Seller under this Agreement, the Buyer shall notify the Seller by emailing LegalServices\_Canada@andritz.com no later than ten (10) business days after learning of the Privacy Incident. The Buyer shall, within reason, provide a clear and concise description of the incident to the Seller and take the appropriate precautions consistent with applicable law and industry practice available to minimize any potential impacts to the Seller. The Buyer also agrees that it will cooperate with the Seller's investigation or questioning of the breach or incident. Upon the earlier of the Seller's written request or upon termination or expiration of the Agreement, the Buyer shall either return to the Seller or irretrievably delete (if possible) the Personal Information provided by the Seller.