

SCRRRA Standard Terms and Conditions

1. GENERAL

- A. As used herein, the term "Buyer" or Authority" means the Southern California Regional Rail Authority, as designated on the face of this Purchase Order ("Order"); and the term "Seller" means the party designated as such on the face of this Order.
- B. This Order, when properly signed by Buyer and bearing a "purchase order number", is the only authorization which will be recognized by Buyer for charges to its account.
- C. This Order, together with any written documents which may be incorporated by specific reference, constitutes the entire agreement between the parties and supersedes all previous communications between them, either oral or written. In the event that other documents are incorporated herein by reference or are attached to this Order, should there be a conflict in any provisions, the terms in this Order shall control unless otherwise agreed to in writing.

2. PACKING AND SHIPPING - Each container and accompanying packing lists must show the Order number. No charge shall be allowed for packaging, delivery or similar costs unless authorized by this Order. Buyer may, at its option, either retain items received in advance of the delivery schedule or return them to Seller at Seller's risk and expense; if retained, time for payment and discount shall be based upon scheduled delivery dates.

3. INSPECTION - All material and articles ordered are subject to final inspection and acceptance at destination, notwithstanding any prior payment or inspection and acceptance. Buyer may reject and return at Seller's expense all materials and articles damaged in shipping or delivery, or found not conforming to applicable drawings, specifications and samples.

4. RESPONSIBILITY FOR SUPPLIES - Seller shall be responsible for all property and supplies covered by this Order until delivery to a specified F.O.B. point and shall bear all risks as to recycled supplies after notice of rejection. Delivery shall be made by the Seller within the time specified in this Order, subject to delay for any unforeseeable cause beyond the Seller's reasonable control, provided such delay is approved by Buyer.

5. TAX - Except as otherwise expressly provided herein, the purchase order price is deemed to include all Federal, State, and local sales/use tax, import fees, duties, and levies (including fees and charges) which would be payable in respect to this Order.

6. PAYMENTS - The Seller shall be paid, upon submission of proper invoices or vouchers, the prices stipulated herein for work delivered or rendered and accepted, less deductions, if any, as herein provided. Payment terms, such as "Net 30 Days," will be specified on the face of this Order, and not become effective until invoices are received by our A/P Department.

7. CHANGES - Buyer may, at any time, by written notice, and without notice to the sureties or assignees, make changes within the general scope of this Order in any one or more of the following: (a) drawings, designs, or specifications; (b) method of shipping or packing; (c) place of delivery; (d) delivery schedule; or (e) quantities ordered. Should any such change increase or decrease the cost of, or the time required for performance of this Order, proper adjustment shall be made in price or delivery schedule or both, as the case may be. No claim by Seller for such adjustment will be valid unless received by Buyer within 30 days from the date of such change, or such longer periods as may be authorized by Buyer in writing. Nothing contained in this clause shall relieve Seller from proceeding without delay in the performance of this Order as changed.

8. WARRANTY - Seller warrants that all articles, materials, work and services furnished hereunder will be free from defects in design, material and workmanship, and will conform to applicable specifications, drawings, samples, and descriptions. The aforesaid express warranties shall be in addition to any warranties available under law and any standard warranty or guarantee of Seller.

9. INSOLVENCY - In the event of the institution of any proceedings by or against either party in bankruptcy or insolvency or for the appointments of a receiver or trustee or an assignment for the benefit of creditors of either party, the other party may terminate this Order without further cost or liability.

10. ASSIGNMENT - This Order, any interest herein or claim hereunder, may not be assigned by Seller either voluntarily or by operation of law, nor may all or any part of this Order be subcontracted by Seller without the prior written consent of Authority. Consent by Authority shall not be deemed to relieve Seller of its obligations to comply fully with all terms and conditions of this Order.

11. TERMINATION - Buyer may terminate work under this Order, in whole or in part, at any time and for any reason, by written notice. Such notice shall state the extent and effective date of such termination. Upon receipt thereof Seller shall, as and to the extent directed by Buyer, stop work under this Order, if this Order is so terminated. Seller shall be paid in accordance with the terms of the Order for materials or supplies, delivered and accepted or services performed and accepted. Seller shall place all orders for materials and parts necessary for its performance under this Order at such times as will enable Seller to meet the schedule of deliveries set forth herein. In the event of termination of or changes to this Order, Buyer shall not be liable for any charges or cost arising out of commitments by Seller for the acquisition of said materials and parts, or out of work performed hereunder, in advance of the time necessary to meet the delivery

schedules hereunder, unless Buyer has given its prior written consent to such advance commitments of work.

12. LABOR DISPUTES - Whenever an actual or potential labor dispute delays or threatens to delay the timely performance of this contract, the Seller will immediately give notice thereof to the Buyer.

13. NONDISCRIMINATION - In connection with the performance of work under this Order, Seller agrees not to discriminate against any employee or applicant for employment because of race, Religion, sex, age, color or national origin. The aforesaid provision shall include but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, compensation, and selection for training, including apprenticeship. Seller agrees to insert the foregoing provision in all subcontracts hereunder.

14. ADVERTISING and/or PUBLICITY AUTHORIZATION - Seller shall not, without prior written consent of Buyer, publish the fact that Buyer has placed this Order with Seller. All plans, drawings, specifications and the subject matter contained therein and all other information given to Seller in connection with performance of this Order shall be held confidential by Seller and shall not be used by Seller for any purpose other than those for which they have been supplied or prepared. Seller agrees not to use for publicity purposes any of Buyer's marks, logos, photographs, drawings and/or other materials received by Seller in connection with the performance of this Order without obtaining the prior written consent of Buyer. Upon Buyer's request, Seller shall return all material given Seller as aforesaid.

15. RECORDS AND AUDIT - If the amount of this Order is \$10,000 or more, Seller agrees that Buyer or any duly authorized representative of Buyer shall, until the expiration of three years after final payment under this Order, have access to and the right to examine pertinent books, documents, papers and records of Seller involving transactions related to this Order or changes thereto. Seller agrees to include a like provision in all subcontracts issued hereunder.

16. INDEMNITY

A. Seller shall indemnify, defend and hold harmless the Authority, its member agencies and its directors, officials, contractors, agents, volunteers and employees from and against any and all liability and expenses including defense cost and legal fees and claims for damages of any nature whatsoever, including but not limited to bodily injury, death, personal injury or property damage arising out of the performance of the work hereunder, or by any negligent act or omission of the Seller, and of the Seller's subcontractors, vendors or suppliers, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the sole negligence or willful misconduct of the Authority and its member agencies.

B. The indemnity shall survive expiration or termination of the Order or final payment thereunder. This indemnity is in addition to any other rights or remedies which the Authority may have under the law or under the contract. In the event of any claim or demand made against any party which is entitled to be indemnified hereunder, the Authority may at its sole discretion reserve, retain or apply any monies due to the Seller under the contract for the purpose of resolving such claims, provided however that the Authority may release such funds if the Seller provides the Authority with reasonable assurance of protection of Authority's interests. The Authority shall in its sole discretion determine whether such assurances are reasonable.

17. SELLER'S STATUS - In the performance of any services hereunder, Seller's relationship to the Buyer shall be that of an independent contractor and not an employee, agent or the representative of the Buyer. Exception: Any work produced pursuant to the Order that may be defined as "artwork," "proofs," "photographs," creative "images," writings, documents, reports, or any other medium identified, controlled by, or covered by state or federal intellectual property law, including but not limited to copyright law, is to be considered the property of Buyer and where applicable, shall be deemed "work for hire" as it pertains to ownership rights. The Seller, by his/her endorsement hereon agrees that all right to the above defined work(s) are waived, and that ownership rests with the Authority. The Seller further agrees to ensure transfer of all rights to such work(s), as defined above, that may be produced under this contract by its suppliers, vendors, or subcontractors.

18. FORCE MAJEURE - The Seller will be granted an extension of time to perform under this Order for any delay in substantially completing the Work (or parts thereof) beyond the time set forth in the Order, for delay caused by unforeseeable causes beyond the control and without the fault or negligence of the Seller. Examples of such causes include acts of a public enemy, fire, floods, adverse weather, tidal waves, earthquakes, hurricanes, epidemics, quarantine restrictions, strikes, labor disputes or freight embargoes.

19. GOVERNING LAW and VENUE - This Order shall be governed by the laws of the State of California. Seller expressly consents to venue, in both state and federal actions, in Los Angeles County, California.