



1. **Agreement:** The Purchase Order together with these Purchase Order Terms and Conditions (collectively referred to as the “**PO**”) is an offer to buy presented by the business unit as indicated on the PO (hereinafter referred to as “**Buyer**” or “**ITC**”), to the supplier indicated on this PO (the “**Supplier**”). Buyer rejects any prior offers to sell made by Supplier. Supplier must acknowledge acceptance of this PO in writing, by sending written acceptance through mail, overnight courier, email or fax to the Buyer’s representative listed this PO. If Supplier’s acceptance is not received by Buyer within five (5) business days of Supplier’s receipt of the PO, Buyer has the right to rescind this PO. Supplier’s acceptance is expressly limited to the terms of this PO and Buyer hereby objects to any additional or different terms in Seller’s acceptance. If acceptance changes any Buyer specification or PO terms, Buyer reserves the right to reject the change and/or rescind this PO. Following the purchase of goods and/or services as described in this PO, in the event the Parties subsequently execute a master agreement which governs the relationship of the Parties and/or Supplier’s provision of the goods and services to Buyer, the subsequent master agreement shall control in the event of a conflict between the subsequent master agreement and these Purchase Order Terms and Conditions. Additionally, in the event Supplier’s invoices, estimates, quotations, proposals, and/or other administrative document (collectively, “**Supplier Documentation**”) is attached to this PO by Buyer, Supplier Documentation shall be incorporated herein and made a part hereof, but only to the extent such terms and conditions are consistent with this PO. No terms or conditions in Supplier Documentation will be effective as a modification of the terms and conditions of this PO, regardless of Buyer’s failure to object to such form.
2. **Cost:** The cost invoiced for the goods or services on this PO shall be in U.S. Dollars and shall be no higher than the cost stated on this PO unless Supplier notifies Buyer in writing of the increase in price and Buyer accepts the same in writing prior to the shipment of goods or the execution of services. Upon the date of delivery of goods or execution of services, if Supplier’s cost for the PO goods or services is lower than the cost shown on this PO, Buyer shall have the benefit of such lower cost.
3. **Payment Terms and Invoicing:** Unless otherwise agreed to by the Parties in writing, in the absence of specific terms of payment, net thirty (30) terms will apply. The period of computation will commence on Buyer’s receipt of a correctly completed invoice. Unless Buyer has supplied an exemption certificate or some other written agreement stating otherwise, it is Supplier’s responsibility to determine the tax obligation(s) for the goods and services. Invoices shall include backup documentation and lien waivers satisfactory to Buyer, itemizing and describing all services and materials in the invoice. Supplier will render invoices in writing or electronically, as required herein, with Bills of Lading or other shipping papers. Payment of an invoice by Buyer shall not constitute acceptance of goods or services and shall be without prejudice to any and all claims Buyer may have against Supplier. All invoices and packages must adhere to ITC’s invoicing requirements, as may be updated from time to time, available at the following site: <http://www.itc-holdings.com/docs/default-source/private/invoicingrequirements.pdf>.
4. **Shipping Instructions:** Unless otherwise specified, all goods are to be shipped prepaid, F.O.B. destination. When Buyer specifies goods are to be delivered F.O.B. shipping point, Supplier agrees to prepay all shipping charges, route the least expensive common



carrier, and to invoice shipping charges as a separate item on the invoices. Buyer reserves the right to refuse any C.O.D. shipments and any such shipment shall be returned at Supplier's expense. All material shall be suitably packed, marked and shipped in accordance with the requirements of common carriers in a manner to secure the lowest transportation cost. Any required Material Safety Data Sheets, manuals, or other documentation shall be clearly identified and shipped with the goods.

5. **Title and Risk of Loss:** Unless otherwise specified herein, title to and the risk of any loss of or damage to the goods shall pass from Supplier to Buyer F.O.B Buyer's facility. Passing of title upon such delivery shall not constitute acceptance of the goods by Buyer or relive Supplier of any of its obligations hereunder.
6. **Schedule:** Time is of the essence in the performance of this PO. Supplier shall follow the schedule shown on this PO Seller shall not make deliveries of goods more than thirty (30) days earlier than the dates shown. If goods are shipped in advance of schedule delivery dates, Buyer may return them at Supplier's expense. If Supplier does not adhere to the delivery schedule, regardless of the cause, Buyer may terminate this PO without liability or Buyer may agree to a revised delivery schedule in writing. Unless Buyer agrees otherwise in writing, Supplier shall deliver all of the goods in a single delivery and not in installments. Buyer's acceptance of a delivery containing less than the required quantity shall not relieve Supplier from its obligation to deliver the balance of the ordered goods at the price and on the scheduled delivery date. Deliveries in excess of the required quantity may be returned at Seller's expense. The foregoing requirements are in addition to all of Buyer's other rights and remedies as may be provided by law or this PO.
7. **Representations and Warranties:** Supplier represents and warrants that all goods delivered under this PO (i) shall be free from defects in material and workmanship; (ii) shall be new; (iii) shall be merchantable, of good material, workmanship, and quality, fit for the purposes for which Buyer intends them; (iv) that the manufacture and sale of the goods shall comply with all Applicable Law (defined in Section 10); and (v) that Supplier has good title to the goods, free and clear of all liens and encumbrances and will transfer such title to Buyer. Additionally, with respect to services delivered under this PO, Supplier represents and warrants that (i) Supplier has all necessary experience, qualifications, expertise, authority, licenses and permits to enable it to perform the services under this PO; and (ii) the services shall conform to the best practiced industry standards applicable to the business or industry in which Supplier is engaged. In all cases, Supplier represents and warrants that (i) Supplier shall conform to any samples, models, drawings, specifications, performance criteria standards or other requirements that are referred to on this PO or that Buyer has otherwise specified or agreed to in writing; (ii) Supplier is solvent; (iii) the goods and services furnished hereunder will not infringe any patent, copyright or trademark; and (iv) it shall assign to Buyer all applicable manufacturer warranties with respect to the goods and/or services provided hereunder. Supplier's representations and warranties extend to future performance of the goods and services and survive inspection, tests, acceptance and payment. Supplier and Buyer agree this PO does not exclude, or in any way limit, other warranties provided for in this Agreement or by law. Buyer shall have all rights and remedies that the laws of the State of Michigan give to buyers, including the right to recover incidental and consequential damages resulting from a breach by Supplier.



8. **Independent Contractor/No Third-Party Beneficiary:** Supplier shall operate as and have the status of an independent contractor. Supplier shall not act as or be considered either an agent or employee of Buyer. Supplier shall be solely responsible for determining the means and methods for providing the goods and/or performing the services. This PO is between Buyer and Supplier and creates no relationship, rights or liabilities, express or implied, including, without limitation, third-party beneficiary rights or liabilities, between Buyer and any subcontractor or any other person.
9. **Subcontractors:** For any services performed under this PO, Supplier shall notify Buyer subcontractors will be providing services pursuant to this PO on Buyer's property. Supplier shall, if requested to do so by Buyer, remove from the job any of its employees or subcontractor employees whom Buyer determines to be incompetent, careless, negligent, unsafe, insubordinate, dishonest, uncooperative, or otherwise objectionable. Supplier shall remain fully and unconditionally liable for all services performed by its subcontractors under this PO.
10. **Compliance with Applicable Law/Safety:** Supplier shall comply with all applicable federal, state and local statutes, laws, ordinances, codes, rules, regulations, standards, orders or other governmental requirements of any kind, and any present or future amendments thereto (collectively, "**Applicable Law**"). Supplier shall further, promote and be responsible for the safety and health of its employees, subcontractors and agents. Supplier shall therefore enforce all safety rules and safety procedures pertaining to the safety of persons and property, including rules furnished by Buyer via the ITC Safety Manual available at <http://www.itc-holdings.com/itc-safety-handbook>, as well as all applicable governmental requirements (collectively, "**Safety Rules**"). Supplier shall immediately correct any Safety Rule infractions upon discovery.
11. **Indemnity:** Supplier shall indemnify and hold Buyer harmless (and defend at Buyer's option) any claims, liabilities, losses, damages and expenses (including, without limitation, attorneys' fees and other legal expenses) brought against or incurred by Buyer (collectively, "**Losses**") because of: (i) any breach by Supplier of any of its representations, warranties and/or other obligations to Buyer hereunder; (ii) any death, injury or damage to any person or property alleged to have been caused by or arising out of the goods, Supplier's manufacture of the goods, the negligence, gross negligence or intentional/willful misconduct of Supplier including its employees, agents, subcontractors or subcontractor employees or the presence of Supplier, its employees, agents or subcontractors or the subcontractor employees on the premises of Buyer; (iii) any third-party claim(s) of intellectual property infringement caused by or arising out of Buyer's use of the goods and/or services; and (iv) from Supplier's failure to levy, assess, collect and remit to the proper taxing jurisdiction all sales and use taxes that may arise from, or relate to, services performed under or in connection with this PO.
12. **Buyer's Inspection:** Upon request by ITC, goods and services on this PO are subject to inspection, test, and approval, ("**Inspection**") at the manufacturing source or work site by a Buyer representative. Supplier shall provide all reasonable facilities and assistance for the safety and convenience of Buyer's representative in the performance of his/her duties. All goods and services are subject to final Inspection at Buyer's location or other place designated by Buyer. Such Inspection shall be made within a reasonable time after



delivery. Upon inspection, Buyer may reject all or any portion of the goods and/or services if it determines the goods and/or services are defective or otherwise do not conform to the requirements of the PO. If Buyer rejects any portion of the goods and/or services, Buyer has the right, effective upon written notice to Supplier (email sufficient), to: (i) rescind the PO in its entirety; (ii) accept the defective and/or non-conforming goods and/or services at a reasonably reduced price; or (iii) reject the non-conforming goods and/or services and require the replacement or re-performance (as applicable) thereof. All goods rejected by Buyer shall be returned at Supplier's expense.

13. **Termination:** Buyer may terminate this PO in whole or in part at any time by written notice to Supplier stating the extent and effective date of termination. Buyer shall not be liable or responsible for any cancellation and/or delay charges asserted by Supplier and Supplier waives any and all rights to such claims.
14. **Changes:** Buyer may at any time, by written notice to Supplier, change this PO or the Agreement as to: (i) designs or drawings of or specifications for the goods or services; (ii) time or place of delivery of goods or execution of services; (iii) method of packing or shipment; or (iv) quantity of the goods. If this causes a change in Supplier's cost or time of performance, then an equitable adjustment shall be made in the price or time for delivery of the goods or performance of the services, or both, if Supplier gives Buyer a written request for an adjustment within twenty (20) days after Buyer notifies Supplier of the change.
15. **Confidentiality:** Supplier agrees to take all reasonable steps to ensure that any and all information obtained from or about Buyer in connection with this PO will remain confidential and shall not be disclosed or revealed to outside sources. Except as required by law, this PO and all of its terms shall not be revealed to the public or any third-parties unless and until both Buyer and Supplier agree to the timing and content of any public announcement.
16. **Standards of Conduct/Market Participation:** Buyer is committed to maintaining a culture of compliance and operating in accordance with the highest ethical standards as outlined in ITC's Code of Conduct and Ethics available at the following site: <http://www.itc-holdings.com/ITC-Code-Conduct/> which includes Buyer's policies with respect to accepting gifts and entertainment and Buyer's Policy on Independence. As a public utility, Buyer is regulated by federal and state governments including, but not limited to, regulation by the Federal Energy Regulatory Commission ("FERC"). As a result, it is the policy of Buyer and its affiliates to operate independently of any "**Market Participant**" (as defined by 18 C.F.R. §35.34(b)(2)). One way in which Buyer demonstrates this commitment to market independence is by requiring that all vendors/suppliers/contractors disclose any direct financial interest in, or a financial conflict of interest with any "**Defined Market Participant**". A Defined Market Participant is a Market Participant of a Regional Transmission Organization in which any of Buyer's operating subsidiaries has been granted incentive rate treatment by FERC based on its status as an independent transmission company. The disclosure applies to interests in (1) entities in MISO and SPP identified on lists maintained on the MISO and SPP websites, as they exist currently or may be revised in the future ("**Listed Entities**"); and to (2) entities that are affiliates of such Listed Entities. Supplier shall therefore, disclose any potential conflict of, or competing interest that arises because of its



relationship with a Defined Market Participant, its customers, clients or vendees as soon as disclosure is practicable. Upon such disclosure or non-disclosure, Supplier acknowledges that Buyer may elect to terminate this PO upon the existence of any such direct financial interest or a conflicting or competing interest, at Buyer's sole discretion.

17. **Insurance:** When performing any work at Buyer's location(s) or on behalf of Buyer at any other location, Supplier shall carry insurance and will add "International Transmission Company and its affiliates", as an additional insured and promptly furnish Buyer with a certificate thereof. All insurance policies shall include a waiver of subrogation against Buyer and shall be maintained in full force and effect during the term of this PO. Insurance shall include coverage in the following types and amounts: Commercial General Liability Insurance of \$5,000,000 in the aggregate and \$2,000,000 per occurrence; Worker's Compensation as required by law or governmental regulations; Employer's Liability Insurance of \$1,000,000 per accident and \$1,000,000 per disease/each employee; Comprehensive Automobile Liability Insurance covering owned, non-owned and hired vehicles with a combined single limit of \$2,000,000 per occurrence.
18. **Acceptance of Supplier Designs:** Acceptance or approval of Supplier submitted designs, calculations, analyses, test methods, or materials, as applicable, does not relieve Supplier from full compliance with contractual obligations, representations and warranties with respect to the submissions, the services rendered or the goods provided.
19. **Government Contracting:** ITC is a federal contractor and Contractor may be a federal subcontractor. **To the extent not exempt, this contractor (also known as ITC or Buyer) and its subcontractors (also known as Supplier) 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 individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.** In addition, this contractor and its subcontractors will not discharge or in any manner discriminate against any of their respective employees or applicants for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant.
20. **Nonwaiver:** Any failure at any time of Buyer to enforce any provision of this PO shall not constitute a waiver of such provision or prejudice the right of Buyer to enforce such provision at any applicable time.
21. **Partial Invalidity:** If any provision of this PO is or becomes void or unenforceable by force or operation of law, the other provisions shall remain valid and enforceable.



\*\*\* ITC PURCHASE ORDER TERMS AND CONDITIONS \*\*\*

22. **Governing Law and Venue:** This PO shall be governed by the laws of the State of Michigan, without regard to its conflict of law provisions. Buyer and Supplier agree that venue for resolution of any dispute(s) shall be in the courts located in the State of Michigan.