

**MORTON SALT, INC.**  
**STANDARD PURCHASE ORDER TERMS**  
**FOR PURCHASE OF GOODS**

**1. DEFINITIONS:** As used herein, "Morton" refers to Morton Salt, Inc.; "Vendor" refers to the vendor, seller, supplier or other party identified on the purchase order for goods 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; and "Goods" refers to the goods, products, items or services to be acquired by Morton pursuant to this Contract.

**2. CONTRACT:** Vendor agrees to sell the Goods to Morton, and Morton agrees to purchase the Goods from Vendor, under the terms and conditions specified in this Contract.

**3. ENTIRE AGREEMENT/OBJECTION TO ALTERNATIVE TERMS:** This Contract constitutes Morton's offer to buy according to the terms and conditions 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 all terms and conditions proposed by Vendor different from or additional to those set forth in this Contract. In no event shall Morton's silence, act of accepting shipment, 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 hereof: 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.

**4. DELIVERY:** Time is of the essence. Deliveries are to be made as provided for in this Contract.

**5. TITLE/RISK OF LOSS:** Title to the Goods and risk of loss of, or damage to, the Goods shall remain with Vendor until such time as the Goods are delivered to and accepted by Morton at the destination indicated on the purchase order hereof. 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:** 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 the Goods (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 purchase order hereof immediately 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, without Morton's written consent.

**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; or (vi) freight embargoes.

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

**8. PRICE:** The price for the Goods shall be as stated on the purchase order hereof. If no price is stated on the purchase order hereof, 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 to Morton for the Goods. Vendor agrees to list separately on the invoice all sales and/or excise taxes applicable to this Contract and agrees that any sales and/or excise taxes not so listed will be considered as included in the total price shown on this Contract. Vendor shall not charge Morton for packing or boxing. Returnable containers must bear Vendor's name.

**9. CANCELLATION:** Morton may cancel this order (a) any time prior to Morton's receipt from Vendor of the enclosed Acknowledgement or Acceptance Form; (b) if this order is not so acknowledged within a reasonable time; (c) if delivery is not completed within a reasonable time after the shipping date specified in this Contract; (d) if the Goods are not as warranted, or not as specified, or not in accordance with submitted samples; (e) if the shipment is made upon different terms from those specified in 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 hereunder to Vendor, but Vendor shall remain liable to Morton for any breaches of warranty or contract that preceded or result from said cancellation or breach.

**10. COMPLIANCE WITH LAW:**

(a) Vendor agrees to comply with the provisions of all applicable federal, state and local laws and regulations, including the Occupational Safety and Health Act of 1970, 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; and the Mine Safety and Health Act of 1977, as amended, and the respective standards and regulations issued thereunder, and certifies that all Goods furnished under this Contract, and any work or activity by Vendor or any Vendor subcontractor on Morton's premises, will conform to and comply with all applicable laws. 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 under this Contract to so comply. Any delay in delivery, or other failure to perform, resulting from Vendor's failure to comply with the provisions of all applicable laws shall not be deemed an excusable delay or otherwise excuse Vendor from performance.

(b) **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.**

**11. WARRANTIES:** By accepting this Contract and by shipping as herein requested, Vendor agrees 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 the specifications and descriptions set forth in this Contract; (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; (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; and (i) are produced, packaged, labeled and shipped in compliance with all applicable Federal, State and local laws, regulations, rulings and orders, including but 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 warranties 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.

**12. INDEMNIFICATION:** Except if the liability, claim, loss, damage, action, cost, or expense is a result of the willful misconduct or sole negligence of Morton, Vendor agrees to indemnify, defend and hold harmless Morton, its agents, officers, directors, shareholders, employees, representatives, customers and invitees from and against any and all demands, claims, liabilities, losses, damages (including incidental or consequential damages), actions, causes of action, penalties, judgments, costs or expenses (including attorney fees) sustained by reason of, arising out of, or relating to (i) a breach of any of Vendor's warranties, representations, promises or covenants herein, (ii) any actual or alleged death, personal injury, property damage or any other damage or loss by whomsoever suffered, resulting or claimed to result, in whole or in part, from the manufacture, use, purchase, sale or transportation of the Goods, or (iii) any act, omission, neglect or default by Vendor, its officers, employees or agents, regardless of any active or passive negligence by Morton. 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. All indemnifications shall be continuing and shall survive acceptance of the Goods or termination of this Contract.

**13. PATENTS:** Vendor shall pay all royalties and license fees and shall defend all suits and claims whatsoever for infringement of any patent, invention, trade secret or trademark rights on the Goods or on 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.

**14. ASSIGNMENT:** This Contract shall not be assigned by Vendor without the prior written consent of Morton. Morton may assign this Contract to any of its affiliated companies or divisions.

**15. RIGHTS AND REMEDIES:** The exercise of any right or remedy shall be without prejudice to the right to exercise any other right or remedy provided in this Contract or provided by law or equity. 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 herein shall limit Morton's right to damages. Morton's failure to inspect, failure to reject and return the Goods, or failure to notify Vendor of complaint shall in no way affect the liabilities and obligations of Vendor. Morton shall have no liability for consequential or incidental damages, and Vendor's sole legal remedy shall be an action for the price of the Goods.

**16. CONFIDENTIAL INFORMATION:** Any specifications, drawings, technical information, data, trade secrets, manufacturing processes, business activities or other proprietary information furnished to Vendor hereunder shall remain Morton's property, shall be kept confidential during the performance of this Contract and for a period of three (3) years thereafter, shall be used only as authorized in writing and shall be returned at Morton's request.

**17. 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 relating to contracts made and to be performed in that State. 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.

**18. 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.

**19. 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.

(Revised 11/17/2015)