

K+S Windsor Salt, Ltd. Standard Purchase Order Terms

- 1. CONTRACT:** K+S Windsor Salt Ltd. ("K+S WSL") agrees to buy the goods or services ("Goods") from the Vendor identified on the purchase order for such Goods which incorporates these standard purchase order terms by reference, and Vendor, whether by written acknowledgment or commencement of performance or delivery of such Goods, agrees to sell said Goods to K+S WSL in strict conformity with these terms and conditions, together with any attachments to the purchase order agreed to by K+S WSL in writing ("Contract"). This Contract is the entire agreement between K+S WSL and Vendor and may only be modified by a writing signed by a duly authorized representative of K+S WSL. No reference herein to Vendor's proposal(s) or quotation(s) shall incorporate any different or additional terms and conditions ("Contradictory Terms") and Vendor agrees that all Contradictory Terms in any documentation submitted to K+S WSL by Vendor shall not apply to this Agreement. In no event shall K+S WSL's silence, act of accepting shipment or other action or failure to act be construed as K+S WSL's assent to any Contradictory Terms.
- 2. DELIVERY:** Delivery must be made in the manner and within the date stated on the purchase order. Over shipments, at K+S WSL's option, may be returned at Vendor's expense. Unless stated otherwise, Vendor shall not charge K+S WSL for packaging or boxing. Deposit charges for Vendor-owned containers must be separately shown on packing slips and invoices. Returnable containers must bear Vendor's name.
- 3. CHANGES:** K+S WSL may at any time, by written purchase order amendment or change order, modify the terms on the Purchase Order. If such changes effect the time for performance or the cost of supplying the Goods, an equitable adjustment in the price and/or the delivery schedule may be requested by K+S WSL or Vendor.
- 4. TITLE/RISK OF LOSS:** Title to, risk of loss of or damage to the Goods shall pass to K+S WSL upon transfer of possession of the Goods to the carrier(s) to be used to transport the Goods to K+S WSL. If no carrier(s) is (are) to be used, then title to the Goods shall pass to K+S WSL at such time as the Goods are delivered to and accepted by K+S WSL at K+S WSL's facility or other designated receiving point.
- 5. SPECIAL ITEMS:** All tooling, moulds, drawings and equipment, which have been furnished by or charged against K+S WSL will be delivered in good condition (normal wear and tear excepted) to K+S WSL, f.o.b Vendor's plant, immediately upon K+S WSL's request.
- 6. EXCUSABLE DELAY OR FAILURE:** Neither K+S WSL nor Vendor shall be liable for failure to perform hereunder arising from (a) acts of God; (b) sabotage or war; (c) fires, floods, explosions or other catastrophes; (d) epidemics or quarantine restrictions; (e) labour disputes of any kind; or (f) freight embargoes; provided that the party claiming such inability to perform notifies the other party in writing of such cause within ten (10) days of discovering same, K+S WSL shall not be obligated to purchase and accept delivery at a later date of the Goods should Vendor be unable to deliver or K+S WSL be unable to receive due to any of the above causes.
- 7. PRICE:** If no price for the Goods is stated on the purchase order, Vendor agrees to invoice at the lowest prevailing market price to purchasers in K+S WSL's class of trade and in respect of like quantities as of the date hereof. Notwithstanding the price specified or established herein, Vendor shall give K+S WSL the benefit of any price reductions through the date of Vendor's invoice to K+S WSL for the Goods. Vendor agrees to list separately on the invoice all applicable duties and taxes including: sales, excise, use and value-added taxes (goods and services taxes) and agrees that, if said taxes and duties are not so listed separately, the amount thereof will be considered as included in the total price shown on this Contract.

8. WORKERS' COMPENSATION OCCUPATIONAL HEALTH AND SAFETY: Vendor agrees to comply with all provisions of applicable federal and provincial legislation, standards and regulations with respect to occupational health and safety and industrial accidents and occupational diseases (the "Standards") and warrants that all Goods furnished hereunder and any work or activity by Vendor or any Vendor subcontractor on K+S WSL's premises will comply with such standards.

9. ADDITIONAL WARRANTIES: Vendor agrees and warrants that the Goods are: (a) free from any third party claims, including infringement of any patent or other proprietary right; (b) free from defects in title, design, material and workmanship, and in strict conformity with the specifications and samples upon which this Contract is based; (c) true net weight, measure, contents and sizes as per federal and provincial standards; (d) merchantable; (e) are fit for the particular purpose for which K+S WSL intends to use the Goods, provided Vendor knows or has reason to know of said purpose; and (f) are produced, packaged, labelled, shipped and performed in compliance with all applicable federal, provincial and municipal laws, regulations, rulings and orders. Any specifications provided to Vendor by K+S WSL are intended to set forth K+S WSL's minimum requirements. All responsibility for design remains exclusively with Vendor. All warranties shall be continuing and shall survive acceptance, use or payment of the Goods. These express warranties shall be in addition to any other express/implied warranties or representations given to K+S WSL by Vendor's authorized agents.

10. CANCELLATION: K+S WSL may cancel this order and/or this Contract (a) any time prior to K+S WSL's receipt from Vendor of a written acknowledgement; (b) if this order is not so acknowledged within a reasonable time; (c) if delivery is not made within a reasonable time of delivery date specified herein; (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 this Contract. Written notice of K+S WSL's rightful cancellation shall relieve K+S WSL of all obligations here under to Vendor, but Vendor shall remain liable to K+S WSL for any breach of warranty or contract that proceeded said cancellation.

Vendor agrees that when K+S WSL is entitled to cancel this Contract, K+S WSL may (i) reject shipment and return all Goods at Vendor's expense and risk; (ii) return at Vendor's expense and risk all Goods accepted; or (iii) retain Goods which comply with this Contract and return any other Goods at Vendor's expense and risk. Nothing herein shall limit K+S WSL's right to damages.

11. INDEMNIFICATION: Vendor agrees to indemnify and hold harmless K+S WSL, its employees, management and directors, from and against any and all demands, claims, liabilities, losses, damages (including contractual, delictual, tortious, direct, indirect, incidental or consequential damages), actions, judgments, penalties, costs or expenses (including attorneys' fees and other legal expenses) sustained by reason of, arising out of, or relating to (a) a breach of any of Vendor's warranties, representations, promises or covenants as contained herein; (b) the death or any actual or alleged bodily injury, damage to any property or any other damage or loss by whomsoever suffered, resulting or claimed to result, in whole or in part, from the manufacture, use, purchase or sale of the Goods; (c) any act, omission, neglect or default by Vendor, its officers, employees or agents; or (d) the performance of this Contract. K+S WSL may, at its option, be represented by and actively participate through its own counsel in any suit or action. All indemnifications and hold harmless agreements shall be continuing and shall survive acceptance of the Goods or termination of this Contract.

12. SERVICES: Where Vendor is required to perform services on K+S WSL's premises, Vendor shall be solely responsible for the direction and supervision of its supervisors and employees and all other parties Vendor engages to assist in the performance and such parties shall not be deemed agents or employees of K+S WSL. Vendor assumes full responsibility for their acts and agrees to indemnify and save K+S WSL harmless from any claims against K+S WSL or damages suffered by K+S WSL arising therefrom. The Vendor shall ensure that such parties shall at all times be covered under the relevant Workmen's Compensation laws and shall provide Buyer with written evidence to such effect.

13. GENERAL PROVISIONS:

a) This Contract shall not be assigned by Vendor without the prior written consent of K+S WSL.

b) Any transfer of title, acceptance or use of the Goods by K+S WSL shall not constitute a waiver of its rights hereunder in the event of any breach of this Contract by Vendor and K+S WSL'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, obligations, and warranties of Vendor.

c) Any specifications, drawings, technical information, data or other proprietary information furnished to Vendor hereunder shall remain K+S WSL'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 to K+S WSL at its request.

d) This Contract shall be governed by the laws of the province in which this order originates.

e) Each of K+S WSL's rights and remedies herein are not exclusive and are in addition to any other right and remedy provided in law or equity.

(Revision 05/2014)