

PURCHASE ORDERS placed by **MTORRES America Inc.** and its affiliates and subsidiaries (all hereinafter referred to as the “BUYER”) are subject exclusively to these Terms and Conditions which shall apply to and form a part of every Purchase Order issued by the Buyer and shall supersede and replace any other terms and conditions. Nothing contained in or attached to any Purchase Order shall operate to modify or add to the provisions of these terms and conditions unless it is the mutual intent of the Parties as stated in writing to so modify or add to these terms and conditions in respect to a specific Purchase Order. In the event of a conflict between the provisions of the terms and conditions and the content of any Purchase Order form, the provisions of these terms and conditions shall control.

1. DEFINITIONS: The following terms have the meaning assigned below:

- “BUYER” means M.TORRES AMERICA, INC., Everett, WA, USA and affiliates, subsidiaries, successors or assigns. The Acquiring Party. The terms BUYER or MTORRES may be used indistinctly.
- CONTRACT: The document signed by both parties, containing the agreements on supply or service provision, and according to which Purchase Orders shall be issued.
- CONTRACT DOCUMENTS: All documents, including General Conditions, Purchase Order or contract, documents mentioned in these (plans, MTORRES specifications, etc.) and amendments or changes subsequently signed by the parties and included in the relevant exchange of correspondence, excluding electronic correspondence, between the Purchase Dept. of MTORRES and the Supplier and/or Creditor.
- PURCHASE ORDER: The document issued by the Buyer and accepted by the Supplier, and which formalizes the purchasing agreement for cases not covered by contract.
- SUPPLIER: the physical or legal entity obliged to carry out direct supply of materials or services which are part of the end product of MTORRES.

2. SCOPE OF APPLICATION: These General Contracting Conditions shall apply to each and every acquisition of goods or provision of services carried out by M.TORRES AMERICA (hereinafter MTORRES).

These conditions are understood as being part of any Contract or Purchase Order issued by MTORRES. It shall be understood that the Purchase Order and these Conditions have been fully accepted unless the Supplier expressly states otherwise in writing within a maximum of five calendar days from the issue date of the purchase order, except in the case of urgent orders, where the maximum shall be two days; or when the Supplier begins to act on the purchase order placed by MTORRES.

Any exception made to these General Purchasing Conditions by the Supplier shall be valid only if it has been stated in writing before acceptance of the contract or purchase order, and is accepted in the same way by MTORRES.

Any conditions or specifications added by the Supplier to its delivery notes, invoices or other documents exchanged between the parties and which contradict the conditions stated in the order/contract shall be null and void.

3. PURCHASE ORDERS: Orders placed by MTORRES must be supported by a contract or a Purchase Order. Any verbal agreement must be stated in writing.

Purchase Orders must include the following:

- Description and technical specifications of the goods or materials.
- Quantity.
- Unit or total price.
- Conditions and method of payment.
- Deadline for implementation.
- Conditions and method of delivery.
- Date and place of delivery.
- Nature of the contracted service.
- Terms & conditions of the service contracted.
- Requirements of Quality documentation (when necessary)

The Purchase Order number must be stated in all documents relating to the Purchase Order, and in the codes of all materials that comprise the order.

3.1 Acceptance of Purchase Orders: The Purchase Order shall be understood as accepted when this is stated by the Supplier in writing within five calendar days

of its issue date. The Purchase Order shall be assumed to be accepted unless the opposite is stated within this period.

Notwithstanding the above, MTORRES may cancel the Purchase Order if it does not receive written confirmation, or if the Supplier refuses to accept any of these General Conditions.

3.2 Alterations to Purchase Orders: MTORRES reserves the right to alter the Purchase Order at any time. If it does so, the Supplier must give notification of any change which may affect the conditions stated, within seven calendar days of receipt of the alteration. Any alteration shall be included in a new version of the same Purchase Order, or in an addendum to the Purchase Order, which must be sent to the Supplier.

3.3 Alterations to the Product or Service Definition by the Supplier: The Supplier must inform MTORRES of any change to the product definition or configuration.

3.4 Alterations to the Manufacturing Process: In cases where the product manufacturing/service provision process has been agreed with MTORRES, the Supplier must inform MTORRES in writing of any alteration to this process, for its approval.

4. DELIVERY & INSPECTION

4.1 Delivery: Goods and materials shall be delivered to the place and within the deadline stated in the relevant Purchase Order. The Supplier hereby undertakes to meet the end delivery deadline and the partial delivery deadlines set in the Purchase Order.

Goods and materials must be suitably identified, and packaged so as to avoid damage during transport, maintenance and storage. The Supplier must comply the standard ISPM 15 in all the international shipments to MTORRES or third parties' facilities and made on behalf of MTORRES, and which requires that all wood packaging material (pallets, crates, dunnage, etc.) used for packaging the goods and materials have to be debarked and then heat treated or fumigated with methyl bromide and stamped or branded in order to prevent the spread of disease and insects that could negatively affect plants or ecosystems.

The Supplier shall be liable for any damage attributable to inadequate protection of goods or materials, assuming any extraordinary costs arising as a result. All deliveries shall be made on a DDP (Delivery Duty Paid – INCOTERMS 2010) basis, unless expressly agreed otherwise in writing in the Contract or Purchase Order.

Each delivery shall be accompanied by a delivery note stating the reference numbers of the items delivered and the quantities corresponding to each one as well as other documents, identifying the Purchase Order.

4.2 Inspection: MTORRES reserves the right to inspect the goods or materials which are the subject of the contract, either at the place of manufacture or at the place of storage, dispatch or implementation. These inspections shall be carried out in such a way that no adverse effect is caused to the Supplier or the Subcontractor.

MTORRES reserves the right to delay dispatch of delivery to the Buyer's facilities until it has evidence that the product meets requirements.

4.3. Acceptance of services: MTORRES reserves the right to evaluate the service provided and to request its extension in case it is considered insufficient, or to ask for problem solving approaches when unsatisfactory in accordance with the original order.

5. ACCEPTANCE & RISK TRANSFER: The Supplier may not carry out any delivery before or after the date set without the express consent of MTORRES. MTORRES reserves the right to reject merchandise by letter, fax or email, provided that the product does not meet the requirements agreed, or in case of infringement of any of the delivery conditions stated in clause 4.1.

By default, the risk associated with the goods or materials supplied shall pass to MTORRES when the merchandise has been accepted at its destination.

6. PRICE: The price agreed by the Parties is fixed and may not be altered unless this is expressly agreed in writing by the parties.

The price includes everything covered by the contract and which the Supplier must provide or carry out in order to comply with the contract, including costs, fees, packaging, insurance and transport to the place agreed; Value Added Tax or similar taxation is not included, and shall be stated separately.

MTORRES may compensate between debiting and crediting deliveries, provided that they belong to the same Supplier and that MTORRES informs the Supplier of the operations carried out.

In case a service is considered unsatisfactory, MTORRES will be able to modify and adjust the price previously agreed.

7. INVOICES & PAYMENT

7.1 Invoices: Invoices must be sent to the location stated in the Contract Documents. If no location is stated in the Contract Documents, invoices must be sent to the destination stated in any other document issued by MTORRES.

The date of each invoice may not precede the date on which the invoice is issued according to the Contract Documents.

Only invoices for deliveries received according to the delivery deadlines and conditions stated in clauses 3 and 4 may be issued.

No item which is not explicitly stated in the Purchase Order or equivalent contract document may be invoiced.

7.2 Payment: Payments shall be made 90 days Net after the invoice date, by bank draft (on 10th and 25th of each month) unless expressly agreed otherwise in writing by the parties.

If the date on which MTORRES receives the invoice is more than 15 days after the invoice date, the invoice date shall be used as the basis for counting 90 days.

Notwithstanding the above, payment of the price does not imply that MTORRES considers that the Purchase Order has been correctly implemented by the Supplier, or that it waives any rights which may correspond to it with regard to the Supplier. MTORRES expressly reserves its rights, notwithstanding payments made.

8. QUALITY ASSURANCE AND INSPECTIONS

8.1 Quality Control system: Supplier shall provide and maintain a quality control system acceptable to Buyer and in compliance with those quality control standards (if any) specified on the Purchase Order. Supplier's quality control system shall be subject to confirmation and acceptance by the Buyer or other regulatory agencies, and/or Buyer's customer.

8.2 Certificate of Conformity: Each shipment must be accompanied by a legible copy of a certificate of conformance (COC). This COC must stipulate the items ordered meet all drawings, specifications and other applicable documents, certify process certifications and chemical or physical test reports as required by drawing specifications or other applicable documents are on file and may be inspected by Buyer and end users upon request.

8.3 Special Processes: Supplier special processes shall be performed by trained and qualified personnel.

8.4 Non-Conforming Product: The Supplier does not have MRB authority. Supplier will notify Buyer in written form of non-conforming product and get Buyer approval for the disposition before shipping to the Buyer.

8.5 Product and Process Changes: Supplier will notify Buyer and obtain approval for changes in product and/or process definition.

8.6 Sub-Tier Suppliers: Supplier shall flow down to its sub-tier suppliers the requirements contained in the purchasing documents applicable to its sub-tier suppliers, including where required the key characteristics of the material to be utilized. Supplier shall advise its sub-tier suppliers that substitution of the materials specified by Buyer for the Goods shall not be permitted in any respect.

8.7 Right of Entry: Supplier shall, without restriction, grant right of entry to Buyer, Buyer's customer, and regulatory authorities to the applicable areas of facilities and to applicable documented information, at any level of the supply chain.

8.8 Source Inspection: All Goods ordered, and relevant records, shall be subject to (i) Buyer and/or Buyer's customer source inspection, or in process inspection, during the process of manufacture prior to shipment and (ii) final inspection, testing and acceptance at destination notwithstanding any prior payment or inspection and acceptance. All Goods shall comply with any regulatory requirements.

8.9 Records: All records created and/or retained by suppliers that provide evidence of conformity to Buyer requirements must be retained for a minimum of seven (7) years. Records shall remain legible, readily identifiable and retrievable. Records shall be available for review by Buyer and end users in accordance with contractual and regulatory requirements.

9. REJECTION OF NONCONFORMING GOODS: In the regular course of its business, Buyer may reject, refuse acceptance, or revoke acceptance of any or all Goods, which are not strictly in conformance with all of the requirements of the Purchase Order and the applicable drawings, designs, and specifications, and by notice, rejection tag or other communication, notify Supplier of such rejection. Acceptance into inventory by Buyer does not constitute acceptance by Buyer's quality assurance. At Supplier's risk and expense, all such Goods will be returned to Supplier for (i) repair, replacement or other correction and redelivery by Supplier as Buyer may require or (ii) refund by Supplier of the price of any such Goods, at Buyer's option. All costs and expenses incurred as a result or in

connection with such non-conformance may be recovered from Supplier by equitable price reduction, setoff, or credit against any amount which may be owed to Supplier under the Purchase Order or otherwise. Buyer may charge Supplier all expenses of inspecting, unpacking, examining, repacking and storing any Goods rejected in accordance with the above. Rejected supplies shall not be re-tendered to Buyer by Supplier unless notification of such past rejection is submitted with the re-tender and Buyer has consented to such re-tender.

10. CHANGES: Buyer may at any time, by written notice, make changes within the general scope of the Purchase Order in any one or more of (i) drawings, designs or specifications (ii) method of shipping or packing (iii) place of inspection, acceptance, or point of delivery or (iv) delivery schedule. Should any such change increase or decrease the cost of, or the time required for performance of the Purchase Order, an equitable adjustment may be requested by Supplier or Buyer in the price, delivery schedule or both. No claim by Supplier for such adjustment will be valid unless submitted to Buyer in writing within thirty (30) days from the date of such a change. Nothing contained in this clause shall relieve Supplier from proceeding without delay in the performance of the Purchase Order as changed.

11. GUARANTEES: In addition to all guarantees prescribed by law or given by Supplier, Supplier warrants that all Goods furnished hereunder will be free from defects in material and workmanship, conform to the applicable drawings, design and specifications and if of Supplier's design, be free of design defects. Unless otherwise specified in the Purchase Order, the Goods shall be new and not used or reconditioned the Goods shall be merchantable and (if Supplier knows or has reason to know of MTORRES's intended purpose or use therefore) shall in all respects be suitable for the particular purpose or use for which they are purchased by MTORRES.

Moreover, the Supplier shall guarantee to MTORRES that the product delivered meets the specifications laid down in the purchase order and is free of any defects which may endanger its use or operation or any other aspect. The Supplier shall be liable in all cases for hidden or visible faults in the merchandise delivered, and for any part whose manufacture has been entrusted to a third party.

The Product delivered to MTORRES shall be guaranteed for a period of 24 months from the date of acceptance. Should the Product become faulty or break during this period, MTORRES may, at its own discretion, demand either that the fault be repaired within a reasonable timeframe and in the least detrimental way, or that a Product with no faults be sent to it. The Supplier shall compensate MTORRES for any loss or damage caused to MTORRES as a result of delivery of the faulty product.

If neither of the foregoing options meets MTORRES's time and/or quality requirements, MTORRES shall be entitled to repair or commission a third party to repair each and every fault. The cost of all of this shall be borne by the Supplier, with no loss of guarantee.

The guarantee period shall be interrupted for the time taken by such repairs and replacements. These repairs and replacements shall also be guaranteed upon their completion, for the same length of time as the initial guarantee.

The Supplier assumes full liability for loss of or damage to goods belonging to MTORRES which are temporarily in its possession, whether due to handling, transport, storage or any other reason, and guarantees to MTORRES that it has taken out the relevant insurance policy to cover all possible damage. The Supplier is obliged to provide documented proof to MTORRES of this if required.

When there is a service contract, the supplier guarantees the adaptation of the service to the service conditions and takes all responsibility deemed from any service unsatisfactorily provided or not subject to the relevant professional practice, and will be held responsible to compensate MTORRES for any possible damage suffered as a consequence of the defective service.

12. MATERIALS, TOOLS, EQUIPMENT AND FACILITIES

12.1 Materials, tools and equipment required to fulfil the Purchase Order shall be furnished by Supplier unless otherwise specified. Supplier represents that it now has, or can readily produce without assistance from Buyer; all facilities necessary for the performance of the Purchase Order except as otherwise provided herein.

12.2 Any such materials, tools, equipment or facilities furnished to Supplier by or on behalf of Buyer or purchased by Buyer from Supplier (according to the corresponding Purchase Order) for use in connection with the performance by Supplier hereunder shall be held by Supplier as Buyer's property and shall not be used by Supplier except for the purpose of Supplier's performance under the Purchase Order. Supplier shall account for all of such property so furnished to Supplier and/or so purchased by Buyer.

12.3 All of said furnished and/or purchased materials, tools, equipment facilities so held by Supplier for use by Supplier in connection with performance under the Purchase Order shall be satisfactory marked, segregated or otherwise clearly identified by Supplier as the property of Buyer and/or others (as the circumstances may require) and shall be kept by Supplier in good condition and repair and shall be returned by Supplier at Buyer's request and at Supplier's expense, in as good

a condition as when received except for reasonable wear and tear and except to the extent that such materials, tools and equipment have been incorporated in Goods furnished by Supplier pursuant to the Purchase Order or have been properly consumed in the normal performance of work hereunder.

12.4 While in Supplier's custody and control, all of said furnished and/or purchased materials, tools, equipment and facilities so held shall be held at Supplier's risk, and shall be kept insured by Supplier at no less than the replacement cost hereof. All such insurance coverage shall provide that payments on account of loss thereof and damage thereto shall be paid to Buyer. Supplier shall furnish such evidence of insurance as the Buyer may require.

13. PENALTIES. INDEMNIFICATION AND INSURANCE: If the Supplier fails to comply with the delivery dates established in the Purchase Order, MTORRES shall apply a penalty of 2% of the total sum stated in the contract for each week of delay, up to a maximum of 10%.

If there are any faults in materials or goods, in either their manufacture or their performance capacity, MTORRES reserves the right to apply a penalty equal to that stated above for each week which elapses without the fault having been resolved. MTORRES also undertakes to inform the Supplier of the fault and the date on which it must be repaired, in verifiable form and as soon as possible.

In the event Supplier, its employees, agents, subcontractors, and/or lower tier subcontractors enter premises occupied by or under control of MTORRES or third parties in the performance of a Purchase Order, the Supplier shall indemnify, hold harmless and defend MTORRES, its officers, and employees from any loss, cost, damage, expense, or liability by reason of property damage or personal injury to any person, including Supplier's employees, of whatsoever nature or kind arising out of, as a result of, or in connection with such performance occasioned in whole or in part by the actions or omissions of Supplier, its employees, agents, subcontractors, and/or lower tier subcontractors shall maintain adequate insurance to cover any public liability, property damage, and automobile liability or any damage incurred in connection with Supplier's performance of any work on or about MTORRES's premises and shall maintain proper Workmen's Compensation insurance covering all employees performing this order.

14. ORGANIZATION OF THE SUPPLIER: The Supplier is an independent contractor and while performing work on or off Buyer's premises, neither it nor any of its agents or employees shall be considered agents or employees of MTORRES. Accordingly, the Supplier shall act as an independent entrepreneur in meeting its obligations, and shall be fully liable for selecting and monitoring its staff or a subcontractor's staff involved in the execution of the Contract or Purchase Order.

In particular, the Supplier must meet all obligations required by administrative, fiscal, labour, health and safety or environmental law, and must make available to MTORRES all documents and information which prove that the obligations established have been met, if MTORRES so requests.

15. ASSIGNMENT AND SUBCONTRACTING: Contracts or Purchase Orders drawn up by MTORRES may not be assigned or transferred in whole or in part to third parties without the express written consent of MTORRES.

Likewise, without the prior written consent of MTORRES, the Supplier shall not subcontract for procurement of all or any number of the Goods covered by a Purchase Order in complete or substantially completed form. The Subcontractor must assume all rights and obligations of the Supplier, as well as these Conditions. Even if work is subcontracted, the Supplier shall continue to be the main party liable to MTORRES for fulfilment of obligations arising from the Purchase Order or Contract.

16. INDUSTRIAL AND INTELLECTUAL PROPERTY: Ownership and all Intellectual or Industrial Property Rights over the goods of MTORRES, data, drawings, information, materials, operating manuals, related documents and know-how supplied or made available to the Supplier or generated by the Supplier in any other way in connection with this relationship, contracts, purchase orders or these General Conditions shall remain the exclusive property of MTORRES, or of their owner. No part of these General Conditions may be understood or interpreted as stating that MTORRES grants any type of license or right to the industrial or intellectual property of MTORRES to the Supplier. Industrial or intellectual property rights to the work carried out by the Supplier under the terms of these General Conditions and Purchase Orders signed by the Supplier and MTORRES shall be held by the latter.

Notwithstanding the above mentioned, the Supplier hereby guarantees to MTORRES, and undertakes to provide documented proof thereof if required, that it is the holder of any industrial or intellectual property rights necessary to carry out the work entrusted to it by MTORRES and that the Goods produced by the Supplier and the sale or use of them do not infringe any patents. In consequence, the Supplier shall compensate, defend and indemnify MTORRES from any expense, loss, cost, damage or liability which may be incurred arising from infringement of this guarantee by the Supplier and shall defend, at its own

expense for any action, lawsuit or claim, including lawyers' fees, in which such infringement is alleged

17. CONFIDENTIALITY: The Supplier shall use all data, drawings, information, materials and know-how of any kind received from the Buyer solely for the purposes of the contract signed between the Supplier and MTORRES. All data, drawings, information and materials remain the property of MTORRES, and shall be returned immediately after termination of the contract or when MTORRES requests them.

The Supplier undertakes to maintain the utmost confidentiality of these data, drawings, information, materials and know-how. The Supplier shall never refer to them, disclose, display, advertise or publish them, nor shall it refer to the fact that it is or has been MTORRES's Supplier in any publications or advertisements or in any spoken or written medium. Neither shall it publish MTORRES's price, or any other detail concerning the contractual relationship, without permission.

The Supplier shall not offer or supply merchandise made using data, drawings, information, materials or know-how supplied by MTORRES, or created for MTORRES by the Supplier, to any third parties. Neither shall it supply, disclose or reproduce any models, specifications, designs or drawings supplied by MTORRES or created by the Supplier for the benefit of any third parties.

18. FORCE MAJEURE: Only the examples of force majeure stated below shall be considered as such and of sufficient severity to relieve the parties of the duty to fulfil their obligations, for the time during which they last.

18.1. Earthquakes, seaquakes, catastrophic fires or floods officially declared catastrophic.

18.2. Damage caused by armed attacks or violence during war, revolts or unrest.

18.3. Legal strikes whose scope goes beyond the Supplier's company and whose termination does not depend on a decision by the Supplier.

19. TERMINATION

19.1 Termination for Convenience: Buyer may terminate, for its convenience, this Purchase Order, in whole or in part, by providing written notice to the Supplier. Upon receipt of such notice, Supplier shall (i) discontinue all work with respect to that portion of the Purchase Order terminated by Buyer (ii) place no additional orders or subcontracts for materials or services as to that part of the work terminated and (iii) take such other reasonable action as may reduce any termination cost due Supplier. In the event Buyer terminates any Purchase Order in whole or in part, Buyer shall pay to Supplier (i) an amount equal to the aggregate purchase price of all Goods completed prior to the termination and (ii) Supplier's raw materials, work in process, supplies and other material costs (excluding overhead and profit) incurred in the production of any uncompleted Goods provided that such costs under (i) and (ii) cannot be allocated by Supplier to other work. In no event shall termination costs exceed the total purchase price of the Goods terminated by the Buyer.

19.2 Termination by Default: If at any time the Supplier shall be in default hereunder and shall fail to remedy such default to the reasonable satisfaction of the Buyer within thirty (30) days following notice from Buyer specifying such default. Buyer may immediately terminate the Purchase Order by written notice of termination to the Supplier. Unless otherwise agreed in writing by Buyer, any such termination of the Purchase Order shall operate as a cancellation of the entire undelivered portions of the Purchase Order.

20. NONWAIVER AND REMEDIES: Any and all failure, delay or forbearance of Buyer insisting upon or enforcing at any time or times any of the provisions of the Purchase Order or to exercise any rights or remedies under the Purchase Order, shall not be construed as a waiver or relinquishment of any such provisions, rights or remedies in those or any other instances, rather, the same shall be and remain in full force and effect. The remedies herein reserved under the Buyer shall be cumulative and additional to any other remedies in law or equity.

21. RELEASE OF INFORMATION: No news release, public announcement, denial, or confirmation of same of any part of the subject matter of the Purchase Order or any phase of the Purchase Order shall be made without the prior written approval of Buyer.

22. COMPLIANCE WITH LAWS: Supplier warrants and certifies it has complied and will comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, programs, plans, and orders (collectively referred to as "Laws") in its performance of the Contract or Purchase Order and that all works or Goods delivered hereunder complies with all applicable Laws. Supplier warrants that it is in compliance with all Laws pertaining to firearms, ammunition, and explosive materials, which include but are not limited to the Federal Gun Control Act (18 USC § 921 et. seq.; 27 CFR Part 478), the National Firearms Act (26 USC § 5801 et. seq.; 27 CFR Part 479) and Federal explosives law, as amended by the Safe Explosives Act (18 USC § 841 et. seq.; 27 CFR Part 555). Supplier also warrants that it will accurately label all deliverables consistent with

the requirements of 40 CFR Part 82 "Protection of Stratospheric Ozone; Labelling". Access to Work under this terms and conditions by persons under the age of 18 will be in compliance with the laws of the State where the Work is being performed. Supplier agrees to defend, indemnify, and hold harmless Buyer from and against any Damages relating to any actual or alleged non-compliance by Supplier or Supplier's Subcontractors of any Laws. Buyer's approval of Supplier's facilities, processes, or Work does not nullify or modify Supplier's obligation for compliance to all applicable Laws.

Supplier and Supplier Engaged Personnel are not employees of Buyer and are not entitled to any Buyer employee benefits or privileges. Supplier shall comply with all applicable federal, state, and local labour and employment laws, regulations, and executive orders, including Form I-9 requirements and use of E-Verify. Supplier shall pay all wages due to its employees and all related employment taxes and workers' compensation and unemployment insurance amounts. Supplier shall indemnify and hold harmless Buyer against all damages arising out of any alleged failure to comply with labour and employment laws applicable to any Supplier Engaged Personnel.

23. EXPORT COMPLIANCE: (a) Supplier understands its obligations to comply with the International Traffic in Arms Regulations ("ITAR") and the Export Administration Regulations ("EAR"). If Supplier is a US company that engages in the business of either manufacturing or exporting Defense Articles or furnishing Defense Services, the Supplier certifies by acceptance of the Purchase Order that it shall maintain an active registration with the US Department of State Directorate of Defense Trade Controls throughout the performance of Work under the Purchase Order.

(b) Supplier shall control the disclosure of and access to Defense Articles, Commodities, Technology, and Software (collectively, "Export Controlled Items") received under the Purchase Order in accordance with US export control laws and regulations, including but not limited to the ITAR and EAR. Supplier agrees that no Export Controlled Items provided by the Buyer in connection with the Purchase Order shall be provided to any non-US Persons, including without limitation, a foreign subsidiary of Supplier, without the express written authorization of the Buyer and the Supplier's obtaining of the appropriate export authorizations.

(c) It shall be the responsibility of Buyer to notify and properly mark all Export Controlled Items provided under the Purchase Order to Supplier in accordance with the ITAR and EAR. If any Export Controlled Item is received by the Supplier from the Buyer and is not so marked, the Supplier shall request from the Buyer, and the Buyer shall provide the Supplier with the proper jurisdiction and classification prior to the Supplier releasing the Export Controlled Item to a non-US Person in accordance with the terms herein.

(d) Supplier shall immediately notify Buyer if it is or becomes listed on any Excluded or Denied Party List of an agency of the US Government or its export privileges are denied, suspended, or revoked. Should the Supplier's Work originate from a foreign location, such Work may also be subject to the export control laws/regulations of the country in which the Work originates. Supplier agrees to comply with all applicable export control laws/regulations of that originating country.

(e) The Buyer may be required to obtain information concerning nationality or export status of Supplier Engaged Personnel. Supplier agrees to provide such information as necessary and certifies the information to be true and correct. Supplier shall defend, indemnify and hold harmless Buyer for all Damages that may be imposed on or incurred by the Buyer in connection with Supplier's violations of export and import laws and regulations.

(f) In the event Supplier is shipping any Work to Buyer from a location outside the US, Supplier or Supplier Engaged Personnel must be listed as the importer of record and fulfil all applicable customs entry requirements. Supplier must notify the Procurement Representative in writing no less than five (5) days prior to such shipment.

(g) As used in this Clause, the following terms are defined in the referenced regulations: "Defense Article" (ITAR: 22 CFR §120.6), "Commodity" (EAR 15 CFR Part 772), "Technology" (EAR Part 772), "Software" (ITAR § 121.8(f) and EAR Part 772), "Defense Services" (ITAR §120.9), and "US Person" (ITAR §120.15).

24. ENVIRONMENTAL HEALTH AND SAFETY PERFORMANCE: The Supplier must comply with all current environmental legislation concerning waste generation and management, discharges, gas emissions, noise and prevention of ground contamination. It is also responsible for complying with all regulations on the use and storage of chemicals in work areas during execution of the contract or purchase order, and shall assume all liability for failure to meet its obligations regarding the environment.

MTORRES may request from the Supplier a copy of all documents demonstrating correct management of waste generated, including but not limited to contracts with administrators, permits and delivery records, etc.

The Supplier shall be responsible for promptly informing all employees of their environment-related duties according to this Contract, acquired either by law or at the express request of MTORRES.

MTORRES may verify compliance with the requirements stated in this clause. This does not release the Supplier from any environmental liability it may incur.

25. HAZARDOUS MATERIALS: Prior to shipment of any hazardous material or chemical (as determined by OSHA regulation at 29 CFR § 1910.1200[d] or Federal Standard No. 313) onto Buyer property or work sites, Supplier shall provide to Buyer one copy of OSHA Form 20 or 174, Material Safety Data Sheet or equivalent, for each such material or chemical. The form shall include the Buyer stock number or the material specification number as defined in the relevant Contract or Purchase Order and all of the information required by 29 CFR §1910.1200(g). The packaging, labelling, handling, and shipping of all hazardous items must conform to all Laws, including carrier regulations. In addition to application of proper shipping labels on the outside container, each container of hazardous items shall be marked with the appropriate precautionary label according to the Code of Federal Regulations. Any failure to comply with the above submission requirement shall be grounds for withholding payments due the Supplier hereunder.

26. APPLICABLE LAW AND DISPUTE RESOLUTION: Irrespective of the place of performance, the Purchase Order shall be governed by and construed according to the laws of the State in which resides Buyer's facility which issued the Purchase Order, without regard to the State's conflict of law provisions, except that when Federal law of US Government contracts exists on substantive matters requiring construction under the Purchase Order, such Federal law shall apply in lieu of State law. This Contract excludes the application of the 1980 United Nations Convention on Contracts for the International Sale of Goods.

In the event of any dispute arising under or relating to a Purchase Order, the parties agree to make diligent and reasonable attempts to resolve through negotiations all such disputes prior to resorting to any remedy available in law or equity. Any action at law, suit in equity, or judicial proceeding of any kind arising directly, indirectly, otherwise in connection with, related to or from a Purchase Order or the relationship between the parties shall be brought only in the state or federal courts located in the state in which resides Buyer's facility which issued the Purchase Order, and the parties waive any right they may have to challenge the jurisdiction of this court or seek to bring any action in any other forum, whether originally or by transfer, removal, or change of venue.

In the event that any suit or action is instituted under or in relation to this Agreement, including without limitation to enforce any provision of this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation such reasonable fees and expenses of attorneys and experts, which shall include without limitation all fees, costs, and expenses of appeal.

27. SEVERABILITY: If any of the Terms and Conditions of Purchase herein are at any time held to be invalid or unenforceable, such term or condition shall be construed as severable and shall not in any way render invalid or unenforceable the remainder of the terms and conditions which shall remain in full force and effect.