



129 Selandia Ln. Carson, CA. 90746  
Ph. (800) 407-4377, info@sierrapacificsuppply.com

## **Purchase Order Terms and Conditions**

These Purchase Order Terms and Conditions apply to all purchase orders issued by Sierra Pacific Supply Company (“Sierra”) for the purchase of goods or services from suppliers (“Supplier”). Suppliers shall also comply with the requirements of Sierra Pacific Supply’s Supplier Quality Clauses document (F-840-006), when referenced on the purchase order. The Supplier Quality Clauses define technical and quality system requirements applicable to specific purchases and are incorporated by reference when identified on the purchase order.

1. Sierra’s purchase order is expressly made conditional on Supplier’s acceptance of these terms and conditions, which are in lieu of any additional or different terms contained in any invoice or other document or communication pertaining to Sierra’s order of goods or services from Supplier (the “Goods”). The Supplier’s assent and agreement to these terms and conditions shall be conclusively presumed by any of the following: (i) Supplier’s failure to object to any of these terms within three (3) days of receipt of a purchase order; (ii) delivery by Supplier of all or any part of the Goods; or (iii) Supplier’s acceptance of Sierra’s payment for all or any part of the Goods. None of these terms and conditions may be added to, modified, superseded or otherwise altered, except by a written instrument signed by an authorized executive of Sierra Pacific Supply Co., Inc. (“Sierra”), which specifically indicates it is intended to add to, modify, or otherwise alter these terms and conditions. Failure of Sierra to object to any terms or conditions that may be contained in any of Supplier’s documents or forms shall not be construed as a waiver of the conditions, nor as an acceptance of any such terms and conditions.

2. The purchase order will be considered acceptable by the Supplier upon acknowledgement and/or performance/shipment of product(s) or service(s) ordered. Sierra reserves the right to cancel or change all or part of the purchase order without penalty when a notice of three (3) days is provided. A change and/or modification by the supplier to the purchase order will not be accepted unless an agreement is obtained in writing from Sierra, which agreement specifically indicates that Sierra intends to and agrees to change and/or modify these terms and conditions.



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3. Product(s) and/or service(s) delivered in accordance with the purchase order must conform to the applicable drawings, specifications, standards, inspection instructions, document revisions, process requirements and purchase order requirements unless otherwise stated on the actual purchase order.
4. Payment terms are as set forth in the purchase order, and if not set forth therein shall be deemed to be net thirty (30) days from the date of delivery of the Goods.
5. Supplier shall deliver the Goods no later than the date set forth in the purchase order or as otherwise agreed in writing by the parties (the "Delivery Date"). If no Delivery Date is specified, Supplier shall deliver the Goods within thirty (30) days of Supplier's receipt of the purchase order. Timely delivery of the Goods is of the essence. If Supplier fails to deliver the Goods in full on the Delivery Date, Sierra may terminate the purchase order immediately by providing written notice to Supplier and Supplier shall indemnify Sierra against any losses, claims, damages, and reasonable costs and expenses directly attributable to Supplier's failure to deliver the Goods on the Delivery Date. Sierra has the right to return any Goods delivered prior to the Delivery Date at Supplier's expense and Supplier shall redeliver such Goods on the Delivery Date.
6. Once a purchase order is accepted, Supplier shall not adjust or change the price being paid with respect to any of the Goods that are part of the purchase order.
7. All Goods shall be delivered to the address specified in a purchase order (the "Delivery Location") during Sierra's normal business hours or as otherwise instructed by Sierra.
8. Shipment. Delivery shall be FOB Delivery Location. Unless otherwise indicated on the face of a purchase order, title passes to Sierra upon delivery of the Goods to the Delivery Location. Supplier bears all risks of loss or damage to the Goods until delivery of the Goods to the Delivery Location.
9. Supplier shall ensure that Goods supplied to Sierra do not contain conflict minerals sourced from conflict or high-risk regions as defined by the Dodd-Frank Wall Street Reform and Consumer Protection Act.
10. Supplier warrants that all Goods conform to specifications, are free from defects in material and workmanship, are new and unused unless specified, free



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from counterfeit parts and comply with applicable laws and regulations. These warranties survive inspection, acceptance, and payment by Sierra.

11. Sierra reserves the right to inspect all Goods supplied under this Purchase Order. Goods that do not conform to the requirements of the purchase order may be rejected at Sierra's discretion. Rejected Goods may be returned to Supplier at Supplier's expense for replacement, repair, or credit. Inspection, acceptance, or payment shall not waive Sierra's rights regarding latent defects or nonconformance discovered after delivery.

12. Supplier Responsibility for Customer Rejections. Supplier shall be responsible for all costs associated with nonconforming or defective Goods supplied under this Purchase Order, including defects discovered after delivery to Sierra or its customers. Such costs may include, but are not limited to, replacement product, return freight, inspection costs, sorting or containment activities, customer chargebacks, and administrative costs associated with investigation and corrective action.

13. Without prejudice to any other right or remedy it may have, Sierra reserves the right to set off at any time any amount owing to it by Supplier against any amount payable by Sierra to Supplier.

14. Any agreement arising out of this transaction shall be deemed to have been made in the County of Los Angeles, State of California. The parties agree that the validity, interpretation and performance of any agreement arising out of this transaction shall be governed by the laws of the State of California without regard to conflicts of interest laws. The parties further agree that any action, claim or proceeding under this Agreement shall be commenced exclusively in the courts of the State of California in Los Angeles, or the federal courts of the United States of America located in such State and county. This shall be the sole and exclusive jurisdiction and venue for the purpose of adjudication of any rights and liabilities hereunder.

15. No waiver of any term or right herein shall be effective unless in writing, signed by an authorized representative of the waiving party. The failure of either party to enforce any provision contained herein shall not be construed as a waiver or modification of such provision, or impairment of its right to enforce such provision thereafter.



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16. In the case of default or breach by either party in the performance of any or all of the provisions of this agreement, the non-breaching party may cancel any outstanding orders and declare all obligations immediately due and payable and shall in addition have all remedies afforded by the Uniform Commercial Code as enacted in California, and any other applicable law. The breaching party shall in addition be liable for the non-breaching party's expenses incurred in exercising any remedies available to it, including reasonable attorney's fees and legal expenses. All unpaid obligations shall bear interest at the contract rate provided under terms of payment above.

17. It is intended that each provision of these terms and conditions shall be viewed as separate. In the event that any provision of these terms and conditions shall be found unenforceable as to any person or circumstance by a court of competent jurisdiction, such provision shall be deemed modified to the extent necessary and in accordance with the intention of these terms and conditions. If the court determines that no such modification is satisfactory, the unenforceable provision shall be deemed deleted, and the remaining provisions hereof shall continue in full force and effect.

18. The rule of construction that ambiguities in an agreement are to be construed against the drafter shall not be invoked or applied in any dispute regarding the meaning or interpretation of any provision of these terms and conditions.