

## **PURCHASE ORDER TERMS AND CONDITIONS**

1. To the extent applicable to such material, material furnished pursuant to this order shall comply with the provisions of part 192, Title 49 of the Code of Federal Regulations as amended as of the date of this purchase order (which prescribed minimum safety, requirements and standards for pipeline facilities and transportation of gas), and shall also comply with the safety standards issued and in effect as of the date of this purchase order by the occupational safety and health administration of the U.S. Department of Labor pursuant to the Williams-Steiger occupational safety and health act of 1970, public 84 Stat, 1590, as amended.
2. The Equal Employment Opportunity Clause set forth in 41 C.F.R. Sec.60-1.4(a) (1)-(7) is incorporated herein by reference and made a part of this contract as though fully set forth herein.
3. If the aggregated amount of this purchase order exceeds \$10,000, the Seller by accepting this order certifies to Buyer that he does not and will not maintain or provide for this employees any segregated facilities at any of his establishments, and that he does not and will not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. Seller understands that the phrase "segregated facilities" includes facilities which are in fact segregated on a basis of race, color, religion, sex or national origin, because of habit, local custom, or otherwise. Seller understands and agrees that maintaining or providing segregated facilities for his employees or permitting his employees to perform their services at any location, under his control, where segregated facilities are maintained is a violation of the equal opportunity clause required by Executive Order No. 11246 of September 24, 1965.
4. If Seller has 50 or more employees and this contract/purchase order amounts to \$50,000, Seller must file reports and develop a program as specified in Secretary of Labor's regulations implementing Executive Order 11246. This requirement includes the annual filing of Standard Form 100 (EEO-1) as directed under regulation 41 C.F.R. Section 60.1-7(a), (b) and (c).
5. For all contracts in excess of \$500,000, Buyer incorporates by reference the provisions set forth in that portion of 41 C.F.R. 1-1, 13 entitled Minority Business Enterprises subcontracting program and seller agrees to adhere to the requirements set forth therein.
6. **VIETNAM ERA VETERANS READJUSTMENT ACT**  
The affirmative action clause set forth in 41 C.F.R. Section 60-250.4, Affirmative Action Regulations for Veterans, is incorporated herein by reference and made a part of this contract as though fully set forth herein.
7. **THE REHABILITATION ACT OF 1974**  
The affirmative action clause set forth in 41 C.F.R. Section 60-74.4. Affirmative Action Regulations for Handicapped Workers, is incorporated herein by reference and made a part of this contract as though fully set forth herein.
8. This Purchase Order becomes a contract (1) when an acknowledgment signed by Seller is received by Buyer or (2) when shipment according to the terms and conditions hereof of all or any portion of the goods covered by this Purchase Order shall be made, or (3) when written approval is given to Seller by Buyer of the price and delivery schedule of the goods as stated by Seller, if Seller's written acknowledgment of this Purchase Order contains either (a) a different price or delivery schedule or a different type of item, or (b) no price or no delivery schedule for the item or items to which Buyer's approval applies. Except as provided in the preceding sentence, it is a condition of this Purchase Order that any provision printed or otherwise contained in any acknowledgment hereof, inconsistent with or in addition to the terms and conditions herein stated, and any alteration in this Purchase Order, shall have no force or effect, and that Seller, by such acknowledgment, thereby agrees that any such provisions therein or any such alterations in this Purchase Order shall not constitute any part of the contract of purchase and sale.
9. Shipment must equal amounts ordered unless otherwise agreed by Buyer.
10. Goods delivered (whether paid for or not) are subject to inspection, testing and approval by Buyer before acceptance. Seller expressly warrants that all articles, materials and work will conform in all respects, to the applicable drawings, specifications, samples or other descriptions given and that the goods delivered hereunder will be of good quality, material and workmanship, merchantable and free from defects. This warranty shall survive any inspection, delivery, acceptance or payment by Buyer of the goods and services.
  - All goods not fully up to standard and not in compliance with the specifications hereof, or shipped contrary to instructions or in excess of the quantities herein provided, or substituted for goods described, or not shipped in containers conforming to Buyer's specifications (or, in the absence of such specifications, in recognized standard containers), or allegedly violating any statute, ordinance, or administrative order, rule, or regulation, may be rejected by Buyer and returned or held at Seller's expense and risk. Buyer may charge to Seller all expense of inspecting, unpacking, examining, repacking, storing, and reshipping any goods rejected as aforesaid. The remedies hereinabove afforded to Buyer shall not be exclusive, but Buyer may hold Seller liable for any and all damages arising from any breach or default hereinabove set forth.
11. Terms of payment are as previously arranged, or if specified in this Purchase Order, then as so specified in this Purchase Order.
12. Buyer's schedules are based upon the agreement that the goods will be delivered to Buyer by the dates specified on the face of this Purchase Order. Time is therefore of the essence and if goods are not delivered within the time specified hereon, Buyer may reject such goods and cancel the order. The acceptance of later or defective deliveries shall not be deemed a waiver by Buyer of its right to cancel this order or to refuse to accept further deliveries.
13. Each package shall be numbered and labeled with Buyer's order number, stock number, contents, and weight, shall contain an itemized packing slip and shall be properly prepaid for shipment so as to secure lowest transportation and insurance rates to meet

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carrier's requirements unless otherwise specified. No charges will be allowed for packing, breaking, freight, express, or cartage unless stated herein.

14. Seller will indemnify, save harmless, and defend Buyer from all liability for loss, damage, or injury to person or property in any manner arising out of or incident to Seller's negligence or willful misconduct in the performance of the contract.
15. If terms of this Purchase Order do not appear on or agree with Seller's invoice as rendered, Seller agrees that Buyer may change such invoice to conform to this Purchase Order and make payment accordingly.
16. Seller shall not delegate or assign any duties or claims under this Purchase Order without Buyer's prior written consent. Any such delegation or assignment attempted without the previous written consent of Buyer shall effect, at the option of the Buyer, a cancellation of all Buyer's obligation hereunder. All claims for moneys due or to become due from Buyer shall be subject to deduction by Buyer, for any setoff or counterclaim arising out of this or any other of Buyer's orders with Seller, whether such setoff or counterclaim arose before or after any such assignment by Seller.
17. Buyer shall have the right to make, from time to time, changes as to packing, testing, destination, specifications, designs, and delivery schedule. Seller shall immediately notify Buyer of any increases or decreases in costs caused by such changes and an equitable adjustment of prices or other terms hereof shall be agreed upon in a written amendment to this Purchase Order.
18. Seller hereby waives and relinquishes all liens and claims statutory or otherwise which Seller now has or may hereafter have as a result of labor done or materials furnished by Seller to Buyer in performance of the within order.
19. Upon the happening of any one or more of the following events, Buyer shall forthwith have the unrestricted right to cancel and terminate the within contract without cost or liability to Buyer: (1) Seller's insolvency or inability to meet obligations as they become due; (2) filing of a voluntary or involuntary petition in bankruptcy or seeking relief under the United States Bankruptcy Code or any other insolvency act or law by or against Seller; (3) institution of legal proceedings against Seller by creditors or stockholders; (4) appointment of a receiver for Seller by any court of competent jurisdiction. The acceptance of goods or performance after the occurrence of any of the events above enumerated shall not affect the right of Buyer to cancel its additional obligations.
20. This Purchase Order and the acceptance of it shall be a contract made in the State of Georgia and governed by the laws thereof.
21. Any specifications, drawing, notes, instructions, engineering notices or technical data referred to in this Purchase Order shall be deemed to be incorporated herein by reference as if fully set forth. In case of any discrepancies or questions, Seller shall refer to Buyer for decision or instructions or for interpretations.
22. The rights of Buyer specified herein shall be in addition to, and not in limitation of, Lender's rights under the Uniform Commercial Code of Georgia, as amended from time to time, or any other statute or rule of law or equity, all of which may be exercised successively or concurrently.