



STANDARD TERMS, CONDITIONS AND WARRANTIES GOVERNING PURCHASE ORDER FOR GOODS

The Supplier shall provide the goods described in the Purchase Order subject to the following Standard Terms, Conditions and Warranties, unless otherwise noted on the face of the Purchase Order or Signed Agreement.

1. DEFINITIONS

- (a) "TMWA" means Truckee Meadows Water Authority.
- (b) "Purchase Order" means a TMWA order for goods which becomes a binding contract upon written acceptance or performance by a Supplier, and which consists of the face of the Purchase Order and these Standard Terms and Conditions, and any other specifically referenced documents.
- (c) "Supplier" means the individual, partnership, company, or corporation contractually obligated to provide the goods described in this Purchase Order.

2. APPLICABILITY

This Purchase Order is issued in accordance with N.R.S Chapter 332. Notwithstanding any provision of NRS 104.2207, the Supplier's written acceptance of this Purchase Order, or the Supplier's commencement of performance without providing a written rejection of the Purchase Order to TMWA within five (5) days of receipt, shall convert this Purchase Order, in its entirety, into a legally binding contract. Each clause title within these Standard Terms and Conditions shall indicate its applicability to the purchase of goods. Except for the Rules of Precedence clause below, these Standard Terms and Conditions do not apply if a specific bid award or other contract is referenced on the face of the Purchase Order.

3. RULES OF PRECEDENCE

In the event of a conflict, the following rules of precedence shall govern this Purchase Order: (1) Terms and conditions on the face of the Purchase Order prevail over these Standard Terms and Conditions; (2) All terms and conditions of the Purchase Order prevail over the Nevada U.C.C. Article 2; (3) All terms and conditions of the Purchase Order prevail over any Supplier quotation; and (4) The terms and conditions of a specific bid award or contract referenced on the face of the Purchase Order prevail over any term or condition contained in the Purchase Order or these Standard Terms and Conditions.

4. LAWS AND STATUTES

The Supplier will comply with all federal, state, and local laws and regulations relative to conducting business or performing work in the County of Washoe, Nevada.

5. SHIPPING

Goods are to be packaged in a manner that assures they are protected against deterioration and contamination. All shipments are to meet applicable D.O.T. Regulations. Serial numbers noted on the packing slip must match the serial number of the actual goods shipped. Incorrect or questionable documentation of serial numbers may result in shipment rejection. Shipments rejected due to Supplier error will be returned solely at Supplier's cost.

6. MATERIAL SAFETY DATA SHEETS

The Supplier shall provide current Material Safety Data Sheets (MSDS) for all hazardous materials and products delivered under this Purchase Order and comply with all applicable laws for the transport and delivery.

7. TAXES

TMWA is exempt from paying Sales and Use Taxes under the provision of Nevada Revised Statutes 372.325(4), and Federal Excise Tax. The price(s) must be net, exclusive of these taxes. The Supplier shall pay all taxes, levies, duties, and assessments of every nature, which may be applicable to any goods delivered under this Purchase Order. The Supplier herein indemnifies and holds TMWA harmless from any liability on account of any and all such taxes, levies, duties, assessments, and deductions.

8. INVOICES

The Supplier shall submit all invoices to apay@tmwa.com. Upon reconciliation of any errors, corrections and credits, payment will be made within thirty (30) calendar days of receipt of the invoice, unless otherwise noted on the face of the Purchase Order.

9. DISPUTES

The parties shall attempt to amicably resolve disputes through escalating levels of management. All unresolved disputes may be settled by arbitration in Nevada if agreed to by both parties; otherwise, litigation may be used. Notice of any dispute must be given in writing within thirty days of the claim, dispute, or matter arising.



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10. GOVERNING LAW/VENUE OF ACTION

This Purchase Order and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada, including, without limitation, Nevada's UCC (NRS Chapter 104). The parties consent to the jurisdiction and venue of the Second Judicial District Court, Washoe County, Nevada for enforcement of any provision of this agreement.

11. INDEMNIFICATION

TMWA will not waive and intends to assert available NRS Chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages.

12. WARRANTY

The Supplier warrants that goods supplied under this Purchase Order are merchantable, of good quality, free of defects in material, workmanship, and design, conform to the standards, specifications and descriptions set forth in the agreement, and are fit and sufficient for the particular purpose set forth in the agreement and fit for the purpose for which goods of a like nature are ordinarily intended. The goods shall be without variation, and shall be of uniform kind, quality, and quantity within each unit and among all units. The Supplier has exclusive title to the goods and shall pass title to TMWA free and clear of all liens, encumbrances, and security interests. The Supplier warrants the purchase or use of the goods shall not infringe upon any United States or foreign patent, and the Supplier shall indemnify TMWA against all judgments, decrees, costs, and expenses resulting from any alleged infringement and shall defend, upon written request of TMWA, at its own expense, any action which may be brought against TMWA, its vendees, lessees, licensees, or assignees, under any claim of patent infringement in the purchase or use of the Supplier's goods. If TMWA is enjoined from using such goods, the Supplier shall re-purchase such goods from TMWA at the original purchase price.

13. DELIVERY, INSPECTION, ACCEPTANCE OF TITLE, RISK OF LOSS

An authorized representative of TMWA will inspect the goods at time of delivery and within a commercially reasonable time. If deficiencies are detected, the goods will be rejected and the Supplier will be required to make necessary repairs, corrections, or replacements. Payment and/or commencement of a discount period will not be made until the corrective action is made; the goods are re-inspected and accepted. The Supplier agrees to deliver the goods as indicated in the Purchase Order, and upon acceptance by TMWA, title to the goods shall pass to TMWA. TMWA must give notice to the Supplier of any claim or damages on account of condition, quality, or grade of the goods, and must specify the basis of the claim in detail. Acceptance of the goods described in the Purchase Order is not a waiver of UCC revocation of acceptance rights or of any right of action that TMWA may have for breach of warranty or any other cause. Unless otherwise stated above, risk of loss from any casualty, regardless of the cause, shall be on the Supplier until the goods have been accepted and title has passed to TMWA. If provided by the Supplier, TMWA agrees to follow reasonable instructions regarding return of the goods.

14. NO ARRIVAL, NO SALE

The Purchase Order is subject to provisions of no arrival, no sale terms, but proof of shipment shall be given by the Supplier; each shipment to constitute a separate delivery. A variation of ten (10) days in time of shipment or delivery from that specified in the Purchase Order does not constitute a ground for rejection. TMWA may treat any deterioration of the goods as entitling TMWA to the rights resulting from a casualty to the identified goods without regard to whether there has been sufficient deterioration so that the goods no longer conform to the Purchase Agreement.

15. FORCE MAJEURE

The Supplier is excused from performance due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Purchase Order and/or Contract after the intervening cause ceases.