

STANDARD PURCHASE ORDER TERMS AND CONDITIONS

These Standard Purchase Order Terms and Conditions (“**Terms**”) are made part of all purchase orders (each, a “**PO Agreement**”) issued by I. C. E. Services, Inc., an Alaska corporation (“**Buyer**”) to the seller listed in the PO Agreement (“**Seller**”). The PO Agreement constitutes Buyer’s offer to Seller for Seller to supply named products (“**Purchased Products**”) or services (“**Purchased Services**”) and is a binding contract on these Terms when it is accepted by Seller or on commencement of performance hereunder. No condition stated by Seller in accepting or acknowledging the PO Agreement shall be binding upon Buyer if in conflict with, inconsistent with, or in addition to these Terms contained herein unless accepted in a prior writing executed by Buyer’s authorized officer. In the event there are conflicting terms and conditions between the PO Agreement and an additional valid agreement fully executed by authorized officers of Buyer and Seller (including, without limitation, master service agreements, the “**Other Agreement(s)**”), the Other Agreement(s) will prevail over these Terms through the term of the Other Agreement.

1. ACCEPTANCE

By shipping the Purchased Products or performing the Purchased Services specified in the PO Agreement, Seller accepts the PO Agreement and agrees to be bound by these Terms. Prior to shipping the Purchase Products

2. TIMELY PERFORMANCE

Seller acknowledges and agrees that time is of the essence in the delivery of the Purchased Products or completion of the Purchased Services within the time frame mutually agreed upon by Buyer and Seller, is vital to the interest of Buyer, and that failure to complete the delivery of the Purchased Products or completion of the Purchased Services within such time frame constitutes a breach of the PO Agreement and these Terms.

3. CHANGES

Buyer reserves the right at any time prior to shipment to make a change as to: (1) type or other specifications; (2) method of delivery; (3) place of delivery; (4) schedule of delivery; and the (5) quantities of delivery.

4. CANCELLATION; TERMINATION

Buyer reserves the right to cancel and terminate the PO Agreement(s), or any portion(s) of thereof, without liability, if; (a) as time is of the essence in the PO Agreement, delivery is not made when and as specified; (b) Seller fails to meet contract commitments as to exact time, price, quality, or quantity; (c) Seller ceases to conduct its operation in the normal course of business as of the date the parties enter into the PO Agreement; (d) Seller is in breach of its obligations as they mature; (e) Seller institutes or proceedings are instituted against Seller under applicable bankruptcy laws or any other laws relating to the relief of creditors; (f) a receiver is appointed or applied for by Seller; or (g) Seller has become insolvent or has made any assignment for the benefit of creditors.

Buyer also reserves the right to cancel for no reason prior to fulfilment of any PO Agreement, or at any time for or any reason permitted by the Uniform Commercial Code then in effect in the State of Alaska. In the event of a cancellation and termination, Buyer shall have no further obligations to Seller except to pay for any of the Purchased Products that were provided to Buyer prior to such cancellation and termination and were accepted by Buyer pursuant to the PO Agreement and these Terms. Upon cancellation and termination, Seller shall provide any transition assistance that may be reasonably requested by Buyer.

5. DELIVERY

Seller shall deliver the Purchased Products or Purchased Services to Buyer by appropriate conveyance no later than by the dates specified in the PO Agreement.

6. INSPECTION AND REJECTION

All Purchased Products are subject to final inspection and acceptance by Buyer at destination notwithstanding any payment. Such inspection will be made within a reasonable time, and no later than 60 days after receipt of the Purchased Products. Buyer shall notify Seller if any goods delivered hereunder are rejected, and at Buyer's election and Seller's risk and expense, such goods shall be held by Buyer or returned to Seller for a refund or credit, at Buyer's election. No replacement or correction of nonconforming goods shall be made by Seller unless agreed to in writing by Buyer.

7. INVOICING

Invoices shall be mailed immediately after shipment of the Purchased Products or rendering of the Purchased Services is complete to the address shown in the PO Agreement and including an "attention to" line indicating the Seller's primary business contact at Buyer. Delays in receiving invoices, errors, or omissions on invoices or lack of supporting documentation required by the terms of the PO Agreement will be cause for postponing the start of the payment terms until the correct information is received. Buyer will not be responsible for charges on invoices received more than 120 days after the rendering of the Purchased Service is complete or shipment of the Purchase Products unless indicated otherwise in an Other Agreement between Buyer and Seller. Buyer reserves the right to require Seller to have each Seller invoice approved by the applicable Buyer representative prior to submitting such invoice to Buyer's Payables department for billing, to include such details on Purchased Services or Purchased Products as Buyer may reasonably request. Buyer reserves the right of inspection set forth in Section 6 prior to payment of Seller's applicable invoice(s).

8. PAYMENT; TAXES

Buyer shall pay the applicable undisputable invoiced amounts to Seller within 30 days from Buyer's notice of acceptance to Seller under such invoice, unless indicated otherwise in an Other Agreement between Buyer and Seller. Unless prohibited by law or otherwise specified, Seller shall pay and will include in the price of any amounts payable under the PO Agreement any applicable federal, state, or local tax, transportation tax, or other tax which is required to be imposed upon the Purchased Goods or Purchased Services ordered in the PO Agreement, or by reason of their sale or delivery, except for applicable sales and use taxes that are listed separately on the issued invoice. Prices of the Purchased Products or Purchased

Services will not include any taxes, duties, tariffs, or similar fees for which Seller or Buyer has furnished a valid exemption certificate or other evidence of exemption.

9. DISPUTED CHARGES

Where any item or items on an invoice are disputed, Buyer may withhold payment for the item or items so disputed until such time as the dispute is resolved.

10. SELLER'S REPRESENTATIONS AND WARRANTIES

Seller represents and warrants that: (a) Seller owns all rights, title and interest in the Purchased Products and Purchased Services and has legal authority to sell, license or otherwise transfer the right to use or sell such items to Buyer free and clear of all liens, claims and encumbrances ; (b) the product and service covered under the Purchase Order are of good and merchantable quality and free from defects in design, material and workmanship, are safe and conform to applicable specifications, drawings, samples, descriptions and associated documentation provided to the company in writing, and in the case of Purchased Services, reflect the highest standards of professional knowledge and judgment, and in any event, no less than generally accepted industry standards; (C) the Purchased Products and Purchased Services, and the production and sale thereof, and all warranties, guarantees, representations by Seller made or authorized to be made in connection therewith are in all respects in compliance with all applicable international, federal, state, local laws, rules, regulations, guidelines and standards; (d) the goods are fit for the use intended; (e) no Purchased Product and/or Purchased Service, or their sale or use will infringe any patents, trademarks, copyrights, trade secrets or similar intellectual property rights of any third party; (f) Seller will comply with all federal, state and locals laws, ordinances, rules and regulations applicable to its performance under the PO Agreement; and (g) Seller has not changed any compositions, formulations, or other constituents of the Purchased Products without written approval from Buyer's authorized officer. Seller shall promptly make full written disclosure to Buyer, shall hold in trust for the sole right and benefit of Buyer, and hereby assigns, transfers and conveys to Buyer or its designee, all of Seller's worldwide right, title and interest in and to any and all inventions, works of authorship and information, Seller may solely or jointly conceive, develop or reduce to practice, or cause to be conceived, developed or reduced to practice, in the performance of the Purchased Services or Purchased Products or which result, to any extent, from use of Buyer's property or materials, including confidential information (collectively, the "Inventions"), including any and all moral rights and intellectual property rights inherent therein and appurtenant thereto, including, but not limited to, all patent rights, copyrights, trademarks, know-how and trade secrets (collectively, "Intellectual Property Rights"). Seller further acknowledges and agrees that all original works of authorship that are made by Seller in the performance of the Purchased Products or Purchased Services, and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act.

11. COMPLIANCE WITH LAWS

Seller represents and warrants that no law, regulation or ordinance of the United States, or any state or governmental authority or agency has been violated in the manufacture, procurement, transporting or sale of any of the deliverables or services furnished, work performed or service rendered pursuant to the PO Agreement.

12. INDEMNIFICATION

Seller shall assume entire responsibility for and, at Seller's own expense, shall defend, indemnify and hold Buyer, and its directors, officers, employees, agents, licensees and customers, (collectively, the "**Indemnitees**") harmless against all losses, liabilities, claims, costs and expenses (including attorney's fees and costs) arising directly or indirectly out of or in connection with the performance related to the PO Agreement arising from, but not limited to: Seller's or its employees, subcontractors' or agents' misconduct, failure to comply with applicable law; material breach of these Terms or the PO Agreement; an infringement of any patent, copyright, trade secret or other intellectual property rights' claim; injury (including death) to any person in the employment of the Seller or any Seller subcontractors or person injured or killed by the Purchased Products or Purchased Services; loss of, destruction, or damage to the property of Seller, any subcontractor and any of their respective personnel or Seller's customers, whatsoever and howsoever arising, or by reason of any actual or alleged infringement of any United States patent, copyright or trade secret arising out of the Purchased Services, Purchased Products, and/or any other deliverables supplied to Buyer by Seller. The provisions of this paragraph "Indemnification" shall survive the termination of the PO Agreement for whatever reason.

13. CONFIDENTIALITY

Seller acknowledges that it is, may be or will be privy to Buyer's confidential information ("**Confidential Information**") in the performance of the PO Agreements. Seller agrees it will use the Confidential Information only in the furtherance of its work under the PO Agreement and shall not transfer or otherwise disclose the Confidential Information to any third party except with prior written authorization from an officer of Buyer.

14. INSURANCE

Whenever Seller shall, by virtue hereof, have in its possession property of Buyer, Seller shall be deemed as insurer thereof and shall be responsible for its safe return to Buyer. If Seller is to perform any of the Purchased Services for Buyer on any premises owned or controlled by Buyer or elsewhere, Seller agrees to: (1) keep such premises and work free and clear of all mechanic's liens, and furnish to Buyer proper affidavits and/or waivers certifying thereto; (2) perform such services at Seller's sole risk prior to its written acceptance by Buyer, and replace at Seller's sole expense all property damaged or destroyed by any cause whatsoever; (3) carry worker's compensation insurance covering all employees employed by Seller or Seller's subcontractors in connection with such services, where Purchased Services are included in a PO Agreement, business automobile/vehicle liability insurance (including coverage for all non-owned and hired autos, and no fault coverage where applicable) with limits of not less than \$3,000,000 per occurrence for bodily injury and property damage combined, and commercial general liability insurance coverage with limit which shall not be less than \$3,000,000 each occurrence / \$3,000,000 general aggregate for bodily injury, property damage and personal injury including bodily injury and property damage; and (4) prior to commencing the performance of any of the Purchased Services, furnish to Buyer certificates of its insurance carrier showing that such worker's compensation and liability and property damage insurance is in force. All shipments of the Purchased Products shall be insured for full value of goods therein. This insurance shall include the full value of any materials furnished by Buyer whether or not these materials have been altered by Seller in supplying the Purchased Products. Seller accepts full responsibility for financial

reimbursement to Buyer for all materials that are lost or damaged and not insured. All insurance required to be issued under this Section shall be issued on a U.S. policy at an AM Best rating of A or higher and licensed to do business in the state where services are rendered; shall name Buyer and its affiliates, and their respective officers, directors, employees, successors, assigns and agents as additional insureds, on the Commercial General Liability and Business Automobile Liability policies above.

15. PUBLICITY

Seller shall not make or publish any notice, advertisement, press release, or other communication with respect to the PO Agreement, its contents, or the goods or services without Buyer's authorized officer's executed prior written consent. Seller shall not use Buyer's name or logo in any of its advertising, client list, or sales promotional material without Buyer's authorized officer's executed prior written consent.

16. EQUAL OPPORTUNITY

Seller will provide the Purchased Services to Buyer without discrimination on account of race, sex, color, religion, national origin, age, physical or mental disability, or veteran's status, or any other protected category under federal, state, or local law.

17. DISPUTE RESOLUTION

All disputes arising under the PO Agreement shall be settled in a federal or state court of competent jurisdiction located in Anchorage, Alaska. All parties hereto hereby irrevocably submit to the non-exclusive jurisdiction of any federal or state court located within Anchorage, Alaska, with respect to any legal action or proceeding arising out of or relating to the PO Agreement or these Terms or any of the transactions contemplated hereby and each party hereby irrevocably agrees that all claims in respect of such dispute or any suit, action or proceeding related thereto may be heard and determined in such courts. The parties hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which they may now or hereafter have to the laying of venue of any such action or proceeding brought in such court or any defense of inconvenient forum for the maintenance of such action or proceeding may be enforced in other jurisdictions by suit on the judgment or in any manner provided by law. Each of the parties hereto hereby consents to be served by any party to the PO Agreement or these Terms in any suit, action, or proceeding delivered personally, by the mailing of a copy thereof postage prepaid by United States registered or certified mail, return receipt requested, or by any nationally recognized overnight carrier service (i.e., FedEx or UPS) with delivery confirmation, to the parties at the addresses set forth in the PO Agreement.

18. ASSIGNMENT

No assignment of any rights, including rights to money due or to become due hereunder, or delegation of any duties under this order shall be binding upon Buyer until the prior executed written consent of Buyer's authorized officer has been obtained.

19. HEADINGS

The headings contained in the PO Agreement and these Terms are for convenience of reference only and are not intended to have any substantive significance in interpreting the PO Agreement or these Terms.

20. FORCE MAJEURE

Both parties shall be relieved from any and all liability under or in connection with the PO Agreement to the extent that such liability arises from any failure to perform any of its obligations under or in connection with the PO Agreement has been caused or contributed to by a force majeure event or circumstance including acts of God, pandemic, epidemic, war (whether war be declared or not), hostilities, civil disturbance, government action, strikes, lock-outs, or labor disputes, computer virus, or any other event or circumstance or cause whatsoever beyond the reasonable control of the party.

21. SEVERABILITY AND INDIVIDUAL PROVISIONS

If any term, condition, or provision of the PO Agreement or these Terms is for any reason declared or found to be illegal, invalid, ineffective, inoperable, or otherwise unenforceable, it shall be severed and deemed to be deleted from the PO Agreement or these Terms and the validity and enforceability of the remainder of the PO Agreement or these Terms shall not be affected or impaired thereby the remaining terms shall remain in full force and effect.

22. WAIVER OF FAILURE TO ENFORCE A PROVISION

Failure by either party at any time to enforce any provision of the PO Agreement or these Terms against the other shall not be construed as a waiver of such entitlement and shall not affect the validity of the PO Agreement or these Terms or any part or parts hereof or the right of the relevant party to enforce any provision in accordance with its terms. The rights and/or remedies of either party may only be waived by formal written waiver which is signed by a duly authorized representative of the party waiving its rights and which makes express and unequivocal reference to the waiver being made.

23. APPLICABLE LAW; MISCELLANEOUS

The PO Agreement and these Terms shall be governed by and construed in accordance with the laws of the State of Alaska, without regard to conflicts-of-law principles. Buyer's rights and remedies provided hereunder shall not be exclusive and are in addition to any other rights and remedies provided at law or in equity. Buyer will not be bound to any additional or different terms or conditions hereafter transmitted by Seller; in each case unless in a writing signed by Buyer's authorized representative. Buyer will not be bound by its silence, course of dealing, usage of the trade or its acceptance of Purchased Products or Purchased Services. No waiver by Buyer of any default by Vendor shall be deemed a waiver of any subsequent default.

24. ATTORNEYS' FEES

In the event any action or proceeding is brought by either Buyer or Seller against the other under the PO Agreement, the prevailing party shall be entitled to recover its actual, reasonable attorneys' fees and costs in such amount as the court may adjudge reasonable, including but not limited to those fees and costs incident to any action or participation in (or connection with) a case or proceeding involving a party under any applicable chapter of the bankruptcy code, or any successor statute thereto.

25. AMENDMENT

The PO Agreement, along with these Terms, may not be amended or modified by any act or conduct of Buyer and/or Seller or by oral agreement, unless reduced to writing, signed by authorized officers of both Buyer and Seller.

26. COMMUNICATIONS

Seller must direct all written communications in respect of the PO Agreement to a Buyer purchasing representative ("Purchasing Representative") or other designee. Seller shall use commercially reasonable efforts to: (a) keep Buyer advised of the status of any Service; (b) permit Buyer to review and observe, from time to time upon reasonable notice, the delivery or performance of Services; (c) timely provide Buyer with such reports and documents, related to the Purchased Products or Purchased Services, as are appropriate and reasonably requested.

27. SUBCONTRACTING

Seller shall not subcontract any portion of Purchased Products or Purchased Services without the prior written consent of Buyer's authorized officer. Unless otherwise specified, this restriction shall not apply to purchases of raw materials, or standard commercial items or services in the ordinary course. Raw materials include, but are not limited to, castings, forgings and rough welded structures on which further work is to be performed by Seller. Seller, if required by Buyer shall disclose in writing the extent of subcontracting anticipated in each PO Agreement.