

## FREEPORT MINERALS PURCHASE ORDER

### GENERAL TERMS AND CONDITIONS

#### 1. DEFINITIONS

The following terms have the meanings set forth in this Section 1:

**Acceptance Date** means the date 90 days after delivery of the Products.

**Applicable Jurisdictions** means the United States of America and the country(ies) in which Seller performs under this Purchase Order, if any part of Seller's performance is outside of the United States of America.

**Buyer** means Freeport Minerals Corporation, if it issues this Purchase Order, or the Freeport Minerals Corporation affiliate or subsidiary that issues this Purchase Order.

**Buyer Indemnified Parties** is defined in Section 4.1(a).

**Buyer Indemnified Party** is defined in Section 4.1(a).

**Conforming Products** means Products that conform in all respects to each of the warranties set forth in Section 2.5.

**Contact Person** means the Buyer contact identified or designated as such in this Purchase Order which contact has responsibility for ordering the Products, overseeing performance of this Purchase Order, and receiving notices on behalf of Buyer.

**Contingency** means, (a) the occurrence of any event, the non-occurrence of which is a basic assumption on which this Purchase Order is placed including, but not limited to, acts of God, fires, floods, riots, labor difficulties, embargoes, and civil commotion, or (b) any non-occurrence of an event, the occurrence of which was a basic assumption on which this Purchase Order is placed.

**C-TPAT** is defined in Section 3.6.

**Defect** means any failure of the Products to conform in any respect to one or more of the warranties set forth in Section 2.5.

**Delivery Date** means the date on or before which Seller must deliver the Products, as specified in this Purchase Order or in any subsequent writing from Buyer to Seller.

**Government Official** means any Person qualifying as a public official or a "foreign official" under the laws of the Applicable Jurisdictions or any of the other Relevant Laws including, without limitation, (i) a Person holding an official position, such as an employee, officer, or director, with any government, or agency, department, or instrumentality thereof, including a state-owned or -controlled enterprise; (ii) any Person "acting in an official capacity," such as a delegation of authority, from a government, or agency, department, or instrumentality thereof, to carry out official responsibilities, including a specific project assignment; or (iii) an official of a public international organization such

as the United Nations, the World Bank, the International Monetary Fund, or a regional development bank.

**Governmental Authority** means any body politic including, but not limited to, the United States of America, any state, Indian nation, municipality, or any Person deriving its authority from any such body politic.

**Indemnified Party** is defined in Section 4.1(c).

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**International Human Rights** means the fundamental principles and standards that enable individuals everywhere to have freedom to live in dignity. All human rights are universal, interrelated, interdependent, and indivisible. International human rights include, but are not limited to, right to safe and healthy working conditions, right to life, liberty, and security of person, right to health, right not to be subjected to forced and compulsory labor or child labor, right to freedom of association, etc. The full definition of International Human Rights can be found within the 30 articles of the United Nations' Universal Declaration of Human Rights (UDHR).

**IT Systems and Data** is defined in Section 3.11.

**Law** means any international, federal, state, or local law, rule, regulation, code, or ordinance including, but not limited to, technical codes and standards, workers' compensation legislation, and all Laws relating to labor, employment, public health and safety, public nuisance or menace, and environmental protection.

**Lien** means any laborers', materialmen's, or mechanics' lien or other lien, suit, or claim.

**Loss** means any liability, claim, demand, damage, loss, fine, penalty, cause of action, suit, or cost, of any kind or description including, but not limited to, judgments, Liens, expenses (including, but not limited to, court costs, attorneys' fees, costs of investigation, removal, and remediation and governmental oversight costs), and amounts agreed upon in settlement.

**MRA** is defined in Section 3.6.

**Nonconforming Products** means any Products that fail to conform in any respect to one or more of the warranties set forth in Section 2.5.

**Non-Delivery Notice** is defined in Section 5.6.

**Notice of Defect** is defined in Section 5.3.

**P.O. Performance Period** means the period beginning on the earlier of: (i) the date Buyer issues this Purchase Order, and (ii) the date Seller commences performance under this Purchase Order, and ending on the Acceptance Date.

**Person** means any natural person, entity, or Governmental Authority including, but not limited to, any corporation, firm, joint venture, partnership, trust, unincorporated organization, voluntary association, or any department or agency of any Governmental Authority.

**Person of Concern** means (i) a Government Official, (ii) a political party, an official of a political party (including any member of an advisory council or executive council of a political party), or a candidate for political office, (iii) an immediate family member, such as a parent, spouse, sibling, or child of a Person in either of categories (i) and (ii) above, or (iv) an agent, intermediary, or close business associate of any Person in any of the foregoing categories.

**Price** means the amount set forth in this Purchase Order including, but not limited to, authorized adjustments, and is the total amount payable by Buyer to Seller for the Products.

**Products** means the items described in this Purchase Order that Seller is to deliver to Buyer pursuant to this Purchase Order.

**Purchase Order** means this written order issued by Buyer (including the Purchase Order Terms and Conditions), including any exhibits and schedules attached hereto, and any and all approved plans, schedules, exhibits, designs, specifications, drawings, addenda, and modifications contemplated by this Purchase Order in each case as modified by the most recently issued Revised Purchase Order.

**Relevant Laws** means applicable anti-bribery, anti-corruption, and anti-money laundering laws, rules, regulations, decrees, and/or official government orders of any governmental body of the Applicable Jurisdictions, including the United States Foreign Corrupt Practices Act of 1977, as well as any other applicable legislation implementing either the United Nations Convention Against Corruption or the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

**Revised Purchase Order** means the written authorization to alter, add to, or deduct from the Products described in a Purchase Order, provided said Revised Purchase Order is issued and accepted in accordance with Section 2.2.

**Seller** means the Person designated in this Purchase Order to perform as seller under this Purchase Order.

**Seller Indemnified Parties** is defined in Section 4.1(b).

**Seller Indemnified Party** is defined in Section 4.1(b).

**Seller Representative** means the Seller contact identified or designated as such in this Purchase Order, which contact has the authority to act for Seller in connection with this Purchase Order.

**Termination Notice** is defined in Section 5.1.

**Warranty Period** means the period beginning on the Acceptance Date and ending on the later of (i) the date one year after the Acceptance Date, and (ii) the date one year after the actual discovery of

Nonconforming Products, if such nonconformity existed during the one-year period following the Acceptance Date but was not reasonably discoverable within such one-year period.

## **2. PRODUCTS**

### **2.1. Acceptance by Seller.**

Seller will be deemed to have accepted and be bound by the terms of this Purchase Order if any one or more of the following occur: (i) Seller commences performance under this Purchase Order; (ii) Buyer and Seller exchange electronic correspondence regarding this Purchase Order indicating that Seller has accepted this Purchase Order; or (iii) Seller signs this Purchase Order and returns a copy of the executed Purchase Order to Buyer. Each party agrees that this Purchase Order may be (but is not required to be) submitted electronically, and that this Purchase Order is not required to be signed. Each party agrees not to contest, or assert any defense to, the validity or enforceability of this Purchase Order entered into in the manner described above based on any Law requiring agreements to be in writing or to be executed by the parties.

### **2.2. Revised Purchase Orders.**

Buyer may, from time to time, initiate changes in the Products, including alterations, additions, and deductions, and/or to the terms and conditions of this Purchase Order, by issuing Revised Purchase Orders. Seller may request changes in the Products or changes to the terms and conditions of this Purchase Order by submitting a request for a Revised Purchase Order to the Contact Person. Seller will promptly comply with the terms of all Revised Purchase Orders issued by Buyer and accepted by Seller in accordance with Section 2.1. Any reference to the term "Purchase Order" herein will be deemed to include all Revised Purchase Orders and the most recent modifications of the original Purchase Order as set forth in such Revised Purchase Order(s).

### **2.3. Limitations.**

Seller agrees, and will cause each of its subcontractors to agree, that it will not deliver any products other than the Products described in this Purchase Order, unless and except to the extent set forth in a Revised Purchase Order issued and accepted before Seller commences performance with respect to such products. Seller understands and agrees, and will cause each of its subcontractors to understand and agree, that it will not be paid for any products not described in this Purchase Order unless such additional or different products are authorized by a Revised Purchase Order issued and accepted before Seller commences performance with respect to such additional or different products. Seller expressly waives, and will cause each of its subcontractors to agree to waive, any claim to payment for any products which are not set forth in this Purchase Order. Any provision of unauthorized products to Buyer will be at Seller's sole risk, and Seller will be solely responsible for any and all Losses arising from any such provision of unauthorized products and the satisfaction of any such Losses.

### **2.4. Delivery.**

Except as may be otherwise specified in this Purchase Order or a Revised Purchase Order, all Products will be shipped as a single lot and delivered on the applicable Delivery Date. If the origin

of the shipments is within the United States, shipping terms will be F.O.B. Origin, Freight Collect (U.C.C., Article 2-319). For shipments outside the United States, shipping terms will be D.D.P., Buyer's location (Incoterms 2010). Seller will promptly notify Buyer if it reasonably believes that any of the Products will be delivered to Buyer before the Delivery Date.

## **2.5. Representations and Warranties.**

Seller represents and warrants to Buyer as follows:

(a) All Products will conform in all respects to: (i) any and all Product specifications set forth in this Purchase Order; (ii) any and all other applicable plans, specifications, drawings, samples, models, and other descriptions furnished to or by Buyer; and (iii) any and all promises and affirmations, oral or written, made to Buyer by or on behalf of Seller. All Products will be new, merchantable, of good workmanship and quality, and free from defects in design, manufacture, function, or performance. Seller acknowledges that it is fully aware of the purposes for which Buyer intends to use the Products and therefore further represents and warrants that all Products will be suitable for, and will accomplish, such purposes. Seller will assign to Buyer any manufacturers' or other warranties applicable to the Products and will cooperate with Buyer in enforcing such warranties. The representations and warranties set forth in this Section 2.5 will survive inspection, testing and acceptance of the Products, will extend to future performance of the Products and will run in favor of any Person using or affected by the Products.

(b) Upon delivery, Buyer's title to the Products will be free and clear of any and all (i) security interests, Liens, and encumbrances whatsoever, and (ii) rightful claims that may be asserted by any Person other than Buyer including, but not limited to, any claim that the design, manufacture, production, testing, sale, or delivery of the Products constitutes tortious interference, unfair competition, or infringement (including, but not limited to, infringement of patent, trademark, copyright, trade secret, or other proprietary interest) or misappropriation of trade secrets; provided, however, that such warranty will not cover infringement that is directly caused by Seller's compliance with Product specifications furnished by Buyer if Seller neither knew nor had reason to know that compliance with such specifications could result in infringement. If Buyer is in any way enjoined from using the Products, or any portion thereof, Seller will promptly, at its expense (including, but not limited to, the payment of any royalties occasioned by the following), either (i) provide to Buyer noninfringing means of using such Products, or (ii) negotiate and procure for Buyer the right to use such Products without restriction.

(c) The design, manufacture, production, testing, sale, and delivery of the Products and Seller's performance of its obligations under this Purchase Order will comply with all applicable Laws.

## **2.6. Title; Risk of Loss.**

Title and all risk of loss or damage to the Products will remain Seller's until Buyer accepts Conforming Products, unless otherwise mutually agreed by Buyer and Seller.

## **2.7. Expediting; Reports; Delays; Slippage.**

All Products including, without limitation, all warranty work with respect to any Products, will be subject to expediting by Buyer. Seller will, and will cause each of its subcontractors and vendors to, afford Buyer's representatives free access during working hours to their respective plants to review the production and testing of the Products. If requested by Buyer, Seller will supply schedules, progress reports, and copies of Seller's purchase orders, subcontracts, and contracts with its vendors for Buyer's use. Seller will notify Buyer of any actual or anticipated delays in production or delivery of the Products immediately upon discovery. Each such notice will include an estimated period of delay and identify the cause of such delay and the corrective actions being taken. Slippage in Seller's schedule may be deemed to be reasonable grounds for Buyer's insecurity pursuant to which Buyer may demand that Seller provide adequate assurance of due performance. Slippage in schedule will not be deemed to be Buyer's sole reasonable grounds for insecurity under this Purchase Order, and under no circumstances will Buyer's rights under this Section 2.7 in any way relieve or diminish Seller's obligations under this Purchase Order, including those set forth in Section 3.1.

## **2.8. Inspection; Rejection; Revocation.**

If and to the extent designated by Buyer in this Purchase Order, sale of the Products in accordance with this Purchase Order will be deemed to be a "sale on approval." Regardless of whether the sale of the Products under this Purchase Order is deemed to be a "sale on approval," however, (a) Buyer will have the right, for 90 days after delivery, to inspect the Products at any reasonable place and in any reasonable manner and, if such inspection reveals that any Products are Nonconforming Products, Buyer may reject any or all of the Products and Seller will reimburse Buyer for all expenses incurred by Buyer in connection with such inspection, and (b) if Buyer discovers grounds for revocation of acceptance of any of the Products during the Warranty Period, Buyer will have the right, for 120 days after such discovery, to revoke acceptance of any or all of the Products. The parties agree that the time periods for inspection and rejection, discovery of Nonconforming Products, and revocation of acceptance set forth in this Section 2.8 are all reasonable. Buyer's revocation of acceptance will not be deemed improper for failure to give Seller the opportunity to cure any improper tender of delivery of, or nonconformity in, the Products. In any dispute regarding rejection or revocation of acceptance, Seller will bear the burden of establishing the wrongfulness of any such rejection or revocation.

## **3. SELLER'S RESPONSIBILITIES**

### **3.1. Liquidated Damages.**

In the event that Seller fails to deliver the Products on or before the Delivery Date, the parties agree that the calculations of actual damages for such late delivery would be extremely difficult and impractical to forecast. Seller therefore agrees to pay to Buyer, as liquidated damages and not as a penalty and without any showing of actual damages by Buyer, the amount of 1% of the value of the applicable Product for each week of late delivery. The liquidated damages will begin on the first day that delivery of the applicable Product is late and will be assessed from that date. In no event will the total sum of any liquidated damages payable by Seller exceed 10% of the value of each Product being supplied. The payment or deduction of such damages shall not

relieve Seller from its obligations to complete the delivery of the Products or any of its other obligations and liabilities under this Purchase Order. Buyer and Seller hereby acknowledge and agree that the terms of this Section 3.1 and the amounts fixed are reasonable considering the actual damage that Buyer will sustain in the event of late delivery. Except for Buyer's right to terminate as provided in this Purchase Order, the liquidated damages set forth in this Section 3.1 will be Buyer's exclusive remedy for untimely delivery of the Products by Seller.

### **3.2. Compliance with Export Control Laws.**

Seller represents and warrants that it will export, re-export, import, and distribute the Products in compliance with the export control Laws of the United States, European Union, and every other Governmental Authority and that it will not infringe any embargo imposed by the United States, the European Union, and/or the United Nations in connection with its provision of the Products. Seller will maintain at its own expense all licenses, consents, and approvals necessary for the lawful exportation, re-exportation, importation, distribution, and sale of the Products. Seller, upon request by Buyer, shall promptly provide Buyer with all information and records pertaining to its compliance with this Section 3.2. Nothing in this Section 3.2 will be construed to grant Seller any right to disclose confidential or proprietary information.

### **3.3. Payment and Invoicing.**

(a) Each invoice submitted by Seller to Buyer will include all relevant and current charges applicable to the Products. All invoices shall contain any supporting documentation required by this Purchase Order, including time sheets (if applicable), or requested by Buyer. For all invoices received, the billing entity must match the name of Seller. Seller shall submit each invoice to [freeport@pdf.basware.com](mailto:freeport@pdf.basware.com), conspicuously stating the Purchase Order number on the invoice. Upon submission as provided in the preceding sentence, the invoice will be routed to the Contact Person for review.

**(b) Upon delivery of all Products (unless otherwise expressly stated in this Purchase Order), Seller will submit its invoice within 60 days of the end of the calendar month during which the Products were delivered. Any failure by Seller to submit an invoice within 60 days of the end of the calendar month in which the Products were delivered will relieve Buyer from paying any amount beyond that which Buyer may verify from its records as being due and payable to Buyer and such determination will be final.**

(c) Buyer will notify Seller if Buyer disputes any item in the invoice or determines that the invoice is not complete or accurate, and thereafter the parties will work together in good faith to resolve the issues and to adjust the invoice, if necessary.

(d) All undisputed payments due Seller hereunder shall be made to Seller as indicated on the invoice or through electronic transmission if elected by Seller. Payment terms Payment Term from the invoice date.

### **3.4. Taxes.**

The Price for this Purchase Order will include all applicable federal, state and local taxes, duties, tariffs, assessments, and other charges applicable to the design, manufacture, production, testing, sale, and delivery of the Products, except any applicable transaction privilege (sales) or use taxes, of which Seller will separately notify Buyer. If Buyer delivers notice to Seller that any of the Products is exempt from otherwise applicable taxes, Seller will not charge such taxes to Buyer. Seller will promptly notify Buyer of any claim by a taxing authority for such taxes, and Seller will cooperate with Buyer in contesting such claim.

### **3.5. Background Checks.**

Seller shall be responsible for performing background checks at the local, state, and federal/country level to determine whether any personnel of Seller and its subcontractors assigned to perform services on any Buyer property have criminal felony or misdemeanor convictions. Before assigning any individuals to work on Buyer property, if Seller determines an individual has convictions on his/her record, Seller shall make a determination whether such conviction information disqualifies such individual from performing the assignment based on job-related and/or business necessity reasons. Further, Seller shall not assign anyone to work on Buyer property who has a criminal conviction relating to drug or alcohol offenses within the last six months.

### **3.6. C-TPAT.**

To the extent applicable to Seller's performance under this Purchase Order, Seller represents that it is and warrants that, during the term of this Purchase Order, it will be: (A)(i) a participant in good standing of the Customs-Trade Partnership Against Terrorism ("C-TPAT") as regulated by the Department of Homeland Security, U.S. Customs and Border Protection, and/or (ii) a participant in good standing of a foreign industry partnership program of a foreign customs administration that has executed a Mutual Recognition Arrangement ("MRA") with U.S. Customs and Border Protection (a current list of existing MRAs can be located on the U.S. Customs and Border Protection website at [www.cbp.gov/border-security/ports-entry/cargo-security/c-tpat-customs-trade-partnership-against-terrorism](http://www.cbp.gov/border-security/ports-entry/cargo-security/c-tpat-customs-trade-partnership-against-terrorism)); or (B) fully compliant with the minimum security criteria outlined by C-TPAT including, without limitation, those standards relating to supply chain and container security. Seller will also work in good faith with Buyer to communicate about and address any changes in the requirements of this Section 3.6, as needed, to respond to changes in applicable Laws and/or the interpretation of any such Laws. Notwithstanding anything to the contrary contained in this Purchase Order, any failure of any statement in this Section 3.6 to be true and correct during the duration of this Purchase Order will entitle Buyer to terminate this Purchase Order immediately upon notice to Seller.

### **3.7. Use of Name and Publicity.**

Seller agrees that it will not, without the prior written consent of Buyer or Freeport Minerals Corporation, as applicable, in each instance: (i) use in advertising, publicity or otherwise the name of Buyer or Freeport Minerals Corporation, the names of any personnel of Buyer or Freeport Minerals Corporation or any trade name, trademark or logo owned by Buyer or Freeport Minerals



Corporation; (ii) represent, directly or indirectly, that any product provided or any services performed by Seller have been approved or endorsed by Buyer or Freeport Minerals Corporation; or (iii) take or use photographs of Buyer property or any personnel of Buyer or Freeport Minerals Corporation.

### **3.8. Ethics and Prohibited Corrupt Practices.**

(a) Buyer has a stated Business Partner Code of Conduct which shall be followed by all Persons contracting with Buyer (a copy of which may be obtained from the “Suppliers” section at [www.fcx.com/suppliers/overview](http://www.fcx.com/suppliers/overview)) as well as the subcontractors of such Persons. Seller represents that it has read, understands, and will adhere, and has required all its personnel and subcontractors to read, understand, and adhere to, the principles contained in Buyer’s Business Partner Code of Conduct. Further, Seller hereby acknowledges, agrees, and certifies that it has obtained, reviewed, and will comply with, and will ensure that each of its subcontractors obtains, reviews, and complies with, Buyer’s Anti-Corruption Policy (a copy of which may be obtained from the “Suppliers” section at [www.fcx.com/suppliers/overview](http://www.fcx.com/suppliers/overview)).

(b) Buyer expressly prohibits Seller from making, offering, or promising any illegal or otherwise improper payment or transferring anything of value to any Person of Concern, third party, or Buyer employee in order to provide Products under this Purchase Order, obtain permits or governmental permissions, or receive or retain Buyer business under this Purchase Order. Buyer also requires that all documentation submitted to Buyer including, without limitation, any documentation of expenses for which reimbursement is requested or any invoices for which payment is requested, be complete and accurate both as to the amounts involved and as to the nature of the expenses. Seller agrees to cooperate with Buyer in supplying any documentation or justification Buyer may require in support of payment requests by Seller. Buyer will not make payments to Seller against invoices or payment requests that are inadequately documented.

(c) Seller certifies that in connection with this Purchase Order it has not directly or indirectly made, offered, or promised, and will not make, offer, or promise, any illegal or otherwise improper payment or transfer of anything of value to any Person of Concern, third-party, or Buyer employee, and that it will comply with all applicable Laws, including the Relevant Laws, in the performance of this Purchase Order.

(d) Failure of any certification in this Section 3.8 to be true or the submission of false supporting documentation shall be grounds for termination for default of this Purchase Order, and any penalties or fines assessed Buyer for violations of this Section 3.8 caused by Seller or its agents may be either deducted from Seller’s pay applications or invoiced to Seller at such intervals as may be determined by Buyer, with each such invoice due and payable within five days of receipt by Seller.

### **3.9. Sanctions.**

(a) Seller certifies that neither it nor any of its principals or owners, nor any of its subcontractors and their principals or owners, nor any other Person who will provide Products under this Purchase Order, are listed on the Specially Designated Nationals, Specially Designated Terrorists, and/or Specially Designated Narcotic Traffickers lists maintained by the Office of

Foreign Asset Controls, United States Department of Treasury. Seller certifies that neither it nor any of its principals or owners, nor any of its subcontractors and their principals or owners, nor any other Person who will provide Products under this Purchase Order, nor any financial institution to or through which funds will be transferred in satisfaction of any portion of this Purchase Order, are the subject of any other United States, United Nations, United Kingdom or European Union sanctions programs, or of any blocking or denial order by the United States, United Nations, United Kingdom or European Union.

(b) Any amounts owed to Seller that are frozen, held, or confiscated by, or at the direction of, any Governmental Authority due to a failure of one or more of the certifications set forth in this Section 3.9 to be true will not be paid to Seller unless and until such amounts are released by, or approved for release by, such Governmental Authority.

### **3.10. Human Rights Policy; Social Performance Policy.**

(c) Seller acknowledges and agrees that it has read Buyer's Human Rights Policy (a copy of which may be obtained from the "Suppliers" section at [www.fcx.com/suppliers/overview](http://www.fcx.com/suppliers/overview)) and that the Human Rights Policy requires that it respect International Human Rights. Consistent with this, Seller warrants and agrees that Seller and its employees, directors, officers, and other representatives, shall respect and comply with Buyer's Human Rights Policy and any International Human Rights. Seller warrants and agrees that it will (i) promptly investigate any allegations of International Human Rights violations allegedly caused by Seller that are brought to its attention, (ii) notify Buyer and the complainant of the results of that investigation, and (iii) take appropriate remedial action where such investigations confirm International Human Rights violations have occurred. Seller shall report to Buyer all grievances against Seller (to the extent Seller is aware of same) by third parties regarding International Human Rights matters. Seller's failure to abide by this provision shall be deemed a material breach of this Purchase Order entitling Buyer to terminate this Purchase Order pursuant to Section 5.4. Seller will provide periodic certificates of compliance with this Section 3.10(a) upon request by Buyer.

(d) Seller acknowledges and agrees that it has read Buyer's Social Performance Policy (a copy of which may be obtained from the "Suppliers" section at [www.fcx.com/suppliers/overview](http://www.fcx.com/suppliers/overview)). Seller understands and agrees that Seller are expected to conduct all activities contemplated under the Contract Documents in a manner that is consistent with Buyer's Social Performance Policy.

### **3.11. Cybersecurity.**

To the knowledge of Seller, there has been no security breach or other compromise of or relating to any information technology and computer systems, networks, hardware, software, data, or equipment ("**IT Systems and Data**") owned by Seller, its subsidiaries or affiliated entities, and none of Seller, its subsidiaries and affiliated entities have received any written notice of, or have any knowledge of, any event or condition that would reasonably be expected to result in, any security breach or other compromise to their IT Systems and Data. Seller, its subsidiaries and affiliated entities are presently in material compliance with all applicable Laws and all applicable judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the protection of their IT Systems

and Data from a security breach or unauthorized use, access, misappropriation, modification or other compromise; and Seller has implemented commercially reasonable backup and disaster recovery technology. If Seller becomes aware of any such security breach or other compromise or any event or condition that would reasonably be expected to result in a security breach or other compromise of its IT Systems and Data, then, notwithstanding any other provisions relating to the providing of notices under the Contract Documents, Seller shall notify Buyer thereof by electronic mail, with read receipt, to each of the following electronic mail addresses within 24 hours of becoming aware of same: MIS\_Security@fmi.com; VendorAffairs@fmi.com; and the electronic mail address of the Contact Person as provided in this Purchase Order. Further, Seller, its subsidiaries and affiliated entities shall develop and maintain their own cybersecurity practices consistent with commercially reasonable information technology standards for similarly situated companies, which shall include, but is not limited to, having a strong password policy and a mature cybersecurity infrastructure to prevent Seller's email system, network and other applications from being compromised.

### **3.12. Registration Process Requirements.**

(a) Seller shall comply fully with Buyer's registration process requirements for Buyer's vendors/contractors as communicated by Buyer to Seller including, without limitation, enabling Multi-Factor Authentication ("MFA") to provide increased security on the Ariba Network in accordance with the MFA instructions attached as Exhibit A hereto and made a part hereof. Seller shall conform to the use of the MFA software and shall keep dependent software up to date on its devices to support MFA. Seller shall train its employees and/or other representatives who interact with Buyer in connection with this Purchase Order on the importance of complying with MFA security requirements. If Seller fails to comply fully with Buyer's registration process requirements and enable MFA as required herein within 30 days of Seller's execution of this Purchase Order (or, if such process requirements are implemented by Buyer after execution of this Purchase Order, within 30 days of such process requirements being communicated to Seller by Buyer), or if Seller fails thereafter to utilize such features consistently and correctly, then Seller will be deemed to be in default under this Purchase Order and Buyer will have all rights and remedies available to it under applicable Law and/or this Purchase Order.

(b) In the event Buyer suffers any Loss including, without limitation, any Loss arising out of a fraud perpetrated by a third party, resulting from Seller's failure (i) to complete all registration process requirements and enable MFA as required herein or (ii) to utilize such features consistently and correctly after such completion and enabling, Seller shall indemnify Buyer Indemnified Parties for, from and against any such Loss.

## **4. OBLIGATIONS OF BOTH PARTIES**

### **4.1. Indemnity.**

(a) Seller shall, and does hereby, defend, indemnify, and hold harmless any or all of Buyer, its parents and affiliates, and their respective directors, officers, and employees, and Buyer's other contractors and their subcontractors and their respective employees (collectively, the "**Buyer Indemnified Parties**" and individually, a "**Buyer Indemnified Party**"), for, from, and against any and all Losses including, without limitation, third party claims, to the extent arising

out of, caused by, relating to, resulting from, or in connection with the negligence, willful misconduct, errors, or omissions of Seller, its subcontractors, or their respective employees relating to, resulting from, or in connection with the performance or non-performance of Seller's obligations under this Purchase Order. Seller's indemnification obligations pursuant to this Section 4.1 will not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity that would otherwise exist as to any Person described in this Section 4.1.

(b) Buyer shall, and does hereby, defend, indemnify, and hold harmless any or all of Seller, its parents and affiliates, and their respective directors, officers, and employees, and Seller's subcontractors and their employees (collectively, the "**Seller Indemnified Parties**" and individually, a "**Seller Indemnified Party**"), for, from, and against any and all Losses including, without limitation, third party claims, to the extent arising out of, caused by, relating to, resulting from, or in connection with the negligence, willful misconduct, errors, or omissions of Buyer or its employees relating to, resulting from, or in connection with the performance or non-performance of Buyer's obligations under this Purchase Order. Buyer's indemnification obligations pursuant to this Section 4.1 will not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity that would otherwise exist as to any Person described in this Section 4.1.

(c) If any action or proceeding is brought against a party arising out of any matter for which such party (the "**Indemnified Party**") is or may be entitled to indemnification hereunder from the other party hereto (the "**Indemnifying Party**"), the Indemnified Party will promptly provide notice to the Indemnifying Party of such action or proceeding. The Indemnifying Party will retain counsel to resist and defend such action or proceeding on the Indemnified Party's behalf. The failure of the Indemnified Party to give such notice will not relieve the Indemnifying Party from any of its obligations pursuant to this Section 4.1, unless such failure prejudices the defense of such action or proceeding by the Indemnifying Party. At its own expense, the Indemnified Party may employ separate counsel and participate in the defense; however, if employment of separate counsel is required because of the failure of the Indemnifying Party after receipt of notice to assume the defense, then the Indemnified Party may employ separate counsel at the Indemnifying Party's expense. Notwithstanding anything to the contrary in this Section 4.1(c), if, upon the tendering of any matter to the Indemnifying Party for indemnification hereunder, the Indemnifying Party or its insurer conditionally accepts the defense of the tendered matter but reserves its right not to pay a potential settlement or judgment based on the ultimate adjudication of the underlying facts, the Indemnified Party, at the Indemnifying Party's expense, has the right to select counsel and control the defense of any such matter.

#### **4.2. Liability Limitations.**

Except as otherwise expressly provided in this Purchase Order, neither party shall be liable to the other for any consequential, indirect, incidental, or special damages or losses which arise out of, in connection with, or are related to this Purchase Order, unless (and then only to the extent) such damages or losses are caused by an act or omission of the party against whom recovery is sought constituting gross negligence or willful misconduct.

## 5. TERMINATION; DEFECTS; REMEDIES; SUSPENSION; CONTINGENCIES

### 5.1. Right to Terminate Purchase Order.

In addition to exercising any other rights and remedies available to Buyer at law, in equity, or under this Purchase Order, Buyer may immediately terminate all or any part of this Purchase Order, regardless of whether Seller is in default, by giving Seller a notice of termination (a “**Termination Notice**”) specifying the date and extent to which this Purchase Order is to be terminated. Any such termination will be deemed a termination for convenience unless Buyer terminates this Purchase Order pursuant to Section 5.4 or in the event of: (a) any breach or repudiation by Seller of all or any part of this Purchase Order; (b) the filing by or against Seller of a petition in bankruptcy; (c) the appointment of a receiver on account of Seller’s insolvency; or (d) a general assignment by Seller for the benefit of its creditors.

### 5.2. Parties’ Obligations Upon Termination.

Upon receipt of a Termination Notice, Seller will discontinue its performance under this Purchase Order on the date and to the extent specified in the Termination Notice and, unless otherwise required by the Termination Notice: (a) place no further orders for materials other than as may be specified in the Termination Notice; (b) promptly make every reasonable effort either to obtain cancellation on terms satisfactory to Buyer of all orders to its subcontractors and vendors or to assign such orders to Buyer; and (c) upon Buyer’s request, assist Buyer in the maintenance, protection, and disposition of property acquired by Buyer under this Purchase Order. If Buyer terminates this Purchase Order for convenience, Buyer will pay to Seller an equitable adjustment to include: (a) any amounts owing to Seller for Conforming Products delivered prior to delivery of the Termination Notice and for Seller’s performance under this Purchase Order thereafter if and to the extent so directed in the Termination Notice; (b) a reasonable amount for any unique Products and materials in production as of the date of delivery of the Termination Notice that are not part of Seller’s standard stock; and (c) those reasonable costs, if any, incurred by Seller solely as a result of the early termination of this Purchase Order, provided that Seller submits to Buyer invoices for such amounts within 30 days after delivery of the Termination Notice. Seller acknowledges that 30 days is a reasonable time for Seller to submit such invoices and agrees that its failure to submit such invoices within 30 days after delivery of the Termination Notice will constitute a waiver of such claim. **EXCEPT IN THE EVENT OF A TERMINATION FOR CONVENIENCE, THE TOTAL AMOUNT TO BE PAID TO SELLER BY BUYER IN CONNECTION WITH ANY TERMINATION, WILL NOT EXCEED THE PRICE, AS REDUCED BY (a) THE AMOUNT OF PAYMENTS MADE TO SELLER BY BUYER, AND (b) THE PORTION OF THE PRICE ALLOCABLE TO PRODUCTS CANCELLED PURSUANT TO SUCH TERMINATION. SELLER EXPRESSLY WAIVES ANY AND ALL CLAIMS FOR COMPENSATION OR CHARGES (INCLUDING, BUT NOT LIMITED TO, ANY CLAIM FOR LOST PROFITS), BEYOND THAT TO WHICH IT MAY BE ENTITLED UNDER THIS SECTION 5.2, AS A RESULT OF ANY TERMINATION OF THIS PURCHASE ORDER. SELLER AGREES THAT ITS SOLE REMEDY IN CONNECTION WITH ANY TERMINATION WILL BE TO RECEIVE COMPENSATION FROM BUYER IN ACCORDANCE WITH THE TERMS OF THIS SECTION 5.2.** Buyer may, at its expense, audit Seller’s records with respect to any claim for payment submitted by Seller. If Buyer has overpaid any amounts to Seller, as determined in accordance with this Section 5.2, Seller will promptly reimburse such amount to Buyer.

### **5.3. Defects.**

Seller agrees to correct any Defect, at Seller's sole expense and at Buyer's convenience, discovered at any time during the P.O. Performance Period and up until the end of the Warranty Period so long as Buyer issues a notice to Seller of such Product Defect (a "Notice of Defect"). Upon receiving a Notice of Defect, Seller will promptly correct such Defect unless the Products are defective to the extent that it is not technically or economically feasible to correct the Defect, in which case Seller will be liable to Buyer for all losses, damages, costs, and expenses arising directly or indirectly from the Defect. If Buyer elects, at its sole option and discretion, to correct a Defect discovered during the P.O. Performance Period or during the Warranty Period, Seller will (a) provide to Buyer, at Seller's sole expense (including, but not limited to, delivery costs), all spare parts, materials, and technical assistance necessary to cure such Defect, and (b) reimburse Buyer for all costs and expenses incurred by Buyer to cure such Defect.

### **5.4. Seller's Default and Buyer's Remedies.**

Notwithstanding any other provision of this Purchase Order, if Seller breaches any term or condition of this Purchase Order, Buyer may, at its option, immediately exercise any one or more of the following remedies: (a) terminate this Purchase Order, effective immediately upon notice to Seller; (b) purchase substitute products from one or more other sources, offset against the Price the cost of such products and recover from Seller any and all losses, damages, costs, and expenses incurred by Buyer as a result of, or arising from, such purchase(s); and/or (c) exercise any other right or remedy available to Buyer at law, in equity, or under this Purchase Order including, but not limited to, its rights to specific performance. Notwithstanding any other provision of this Purchase Order, Buyer will be entitled to recover from Seller any and all losses, damages, costs, and expenses incurred by Buyer in connection with the enforcement of this Purchase Order, in addition to any other rights and remedies Buyer may have at law, in equity, or under this Purchase Order. The rights and remedies of Seller set forth in this Purchase Order are exclusive and in lieu of any other rights and remedies available to Seller at law or in equity.

### **5.5. Suspension.**

Notwithstanding any other provision of this Purchase Order, Buyer may, in its sole discretion, suspend or extend the time for Seller's performance of this Purchase Order, at any time and from time to time, by giving notice to Seller. During such suspension or extension, Seller will take all reasonable steps necessary to minimize the incurrence of costs in connection with such suspension or extension. After any such suspension, Seller will resume performance as directed by Buyer. Subject to Buyer's approval, which will not be unreasonably withheld, Seller will be entitled to reimbursement from Buyer for any additional costs reasonably and actually incurred by Seller solely as a result of such suspension or extension, provided that Seller claims reimbursement for, and provides to Buyer written documentation of, such additional costs within 30 days after Seller's resumption of performance.

### **5.6. Excuse by Failure of Presupposed Condition.**

If and to the extent that Seller's delivery of all or any portion of the Products is made impracticable by (a) the occurrence of a Contingency not attributable to Seller's fault or

negligence, or (b) Seller's compliance in good faith with any applicable Law, Seller will promptly provide to Buyer notice of such delay or non-delivery including a description of the reason(s) for such delay or non-delivery (each, a "**Non-Delivery Notice**"). Upon receipt of any Non-Delivery Notice from Seller, Buyer may, at its sole option and discretion, exercise any one or more of the following remedies: (a) terminate or modify all or any part of this Purchase Order and/or Revised Purchase Order(s); (b) if Seller's capacity to deliver the Products is only partly affected, direct Seller to allocate production and delivery resources among its customers, including Buyer, in a fair and reasonable manner; (c) if a commercially reasonable substitute manner of delivery is available, direct Seller to deliver the Products to Buyer in such manner; and/or (d) exercise any other right or remedy available to Buyer at law, in equity, or under this Purchase Order. Seller will promptly comply with any instructions given by Buyer in accordance with this Section 5.6.

## **6. MISCELLANEOUS**

### **6.1. Binding Agreement; No Third-Party Beneficiaries; No Assignment.**

This Purchase Order will be binding upon and enforceable by the parties, their respective successors, and permitted assigns. Other than as specifically set forth in Sections 2.5(a) and 4.1, the parties specifically acknowledge that this Purchase Order is not intended to create any rights in or for any third party (except that if Buyer is an entity other than Freeport Minerals Corporation, Freeport Minerals Corporation is an intended third-party beneficiary of this Purchase Order). Seller may not assign or transfer any interest in or obligation under this Purchase Order without the prior written consent of Buyer.

### **6.2. Independent Contractors.**

The status of Seller and its personnel and subcontractors is and will be that of independent contractors, and no such personnel or subcontractors will, at any time or for any purpose, be deemed employees or agents of Buyer or Freeport Minerals Corporation.

### **6.3. Integration.**

This Purchase Order, which includes by reference: (a) any and all plans, specifications, drawings, samples, models and other descriptions furnished to or by Buyer; (b) any and all promises and affirmations, oral or written, made to Buyer by or on behalf of Seller; and (c) any and all Revised Purchase Orders, constitutes the entire agreement between the parties relating to the subject matter described in this Purchase Order, and there are no agreements or understandings between the parties, express or implied, except as may be explicitly set forth in this Purchase Order.

### **6.4. No Varying Acceptance.**

Seller's acceptance of this Purchase Order is expressly limited to the terms and conditions of this Purchase Order. No quotation, acknowledgement, or other document from Seller may add to or vary any term or condition of this Purchase Order. Any such modification will be of no effect unless expressly agreed to in writing by Buyer. Performance by Seller of all or any part of this Purchase Order will constitute Seller's acceptance of all the terms of this Purchase Order, notwithstanding the terms of any quotation, acknowledgement or other document of Seller to the

contrary. Seller may accept this Purchase Order by delivering to Buyer a written, signed acceptance, but if such writing contains additional terms or terms that vary from the terms of this Purchase Order, such additional or varied terms will be deemed rejected. If this Purchase Order is construed to be an acceptance by Buyer of an offer by Seller, Buyer expressly limits such acceptance to the explicit terms of this Purchase Order and rejects any additional or varied terms set forth in Seller's offer. Nothing in this Purchase Order will indicate that this Purchase Order is an acceptance; rather, it will be construed to be an offer to the extent possible. Buyer hereby objects to any attempt by Seller to add to or vary any term of this Purchase Order and expressly rejects all such modifications unless agreed to in writing by Buyer.

**6.5. Governing Law; Jurisdiction and Venue.**

This Purchase Order will be deemed to have been executed and delivered in Arizona, and the Laws of the State of Arizona will govern the enforcement and interpretation of this Purchase Order without application of the United Nations Convention on Contracts for the International Sale of Goods. All actions and proceedings arising from or related to this Purchase Order, or either party's rights, obligations, or performance under this Purchase Order, will be litigated in local, state, or federal courts located within the City of Phoenix, Arizona. Seller consents and submits to the personal jurisdiction and venue of any local, state, or federal court located within the City of Phoenix, Arizona.

**6.6. Modification of Purchase Order.**

This Purchase Order may not be modified or amended except as provided in Section 2.2.

**6.7. Headings and Captions.**

Headings or captions in this Purchase Order are inserted for convenience of reference only and will not expand, limit, modify, or affect the text of this Purchase Order.

**6.8. Invalidity; Unenforceability.**

If any portion of this Purchase Order is declared to be invalid or unenforceable, such declaration will not affect the validity or enforceability of the remainder of this Purchase Order, which will be construed as nearly as possible as if such invalidity or unenforceability had not been declared. If the scope of any restriction or obligation is too broad to permit enforcement to its full extent, then such restriction or obligation will be enforced to the maximum extent permitted by applicable Law, and each party consents and agrees that the scope and reach of such restrictions and obligations may be judicially modified in any proceedings brought to enforce them.

**6.9. No Discrimination.**

Buyer is an Equal Employment Opportunity/Affirmative Action employer subject to Executive Order 11246. Seller agrees that it will not discriminate against any employee or applicant for employment on the basis of race, color, sex, national origin, religion, disability, age, or genetic information. Buyer and Seller, to the extent applicable, shall abide by the requirements of 41 C.F.R. §60-300.5(a). This regulation prohibits discrimination against qualified protected



veterans and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans. Further, to the extent applicable, Buyer and Seller shall abide by the requirements of 41 C.F.R. §60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

#### **6.10. Waivers.**

No waiver of any provision of or default under this Purchase Order, or failure to insist on strict performance under this Purchase Order will affect the right of Buyer or Seller, as the case may be, thereafter to enforce such provision or to exercise any right or remedy available to such party in the event of any other default, whether or not similar.

#### **6.11. Consents and Approvals.**

Whenever the consent, approval, waiver, or agreement of Buyer is required, it will be deemed to mean the consent, approval, waiver, or agreement of the Contact Person. Seller waives all claims based on any alleged consent, approval, waiver, or agreement not in accordance with this Section 6.11.

#### **6.12. Notices.**

All notices provided for or required under this Purchase Order will be in writing and delivered personally, mailed, sent via express delivery service, or sent via electronic mail (a) if to Buyer, to the Contact Person at the address specified in this Purchase Order and to Buyer's Global Supply Chain via electronic mail at dg-phx-vendor-notice@fmi.com, or (b) if to Seller, to the Seller Representative at the address specified in this Purchase Order. All notices will be deemed given when received. Either party may, from time to time and in accordance with the procedures set forth in this Section 6.12, specify a different address for receipt of notices.

#### **6.13. Survival.**

The terms and conditions of this Purchase Order which by their sense and context are intended to survive the suspension, termination, or expiration of this Purchase Order and/or Seller's delivery, and Buyer's inspection, testing, and acceptance, of any Products pursuant to this Purchase Order including, but not limited to, any provisions regarding waivers, compliance with laws, warranties, taxes, indemnity, liabilities incurred upon or prior to termination, liability limitations, confidentiality, remedies, title and risk of loss, audit rights, insurance, and ethics, shall survive and continue in effect.

#### **6.14. Counterparts; Electronic Signatures.**

This Purchase Order may be executed in one or more counterparts, each of which is an original, and all of which together shall constitute one and the same agreement. The parties agree that a manually signed copy of this Purchase Order may be delivered by facsimile, email, or other means of electronic transmission and shall be deemed to have the same legal effect as delivery of

a signed original counterpart of this Purchase Order. The parties further agree that this Purchase Order may be electronically signed and that the electronic signatures appearing on this Purchase Order are the same as manual signatures for the purposes of validity, enforceability, and admissibility.

*[Signatures on following page]*

ACKNOWLEDGED AND AGREED:

**BUYER:**

PLANT NAME

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**SELLER:**

VENDOR NAME

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**Multi-Factor Authentication Instructions**

(Attached)

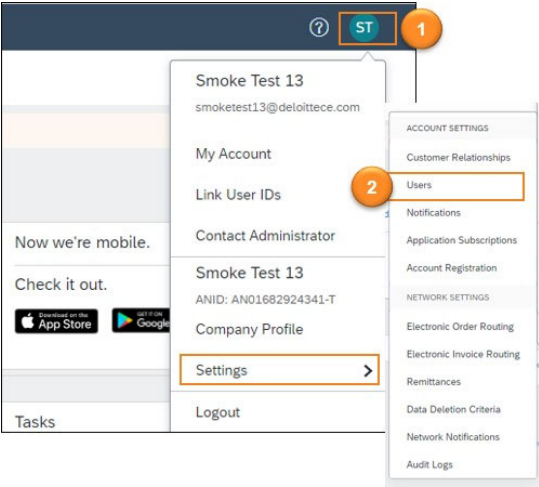
# How to enable Multi-Factor Authentication (MFA) on Ariba Network Account

## What is Multifactor Authentication and what are the benefits of its use?

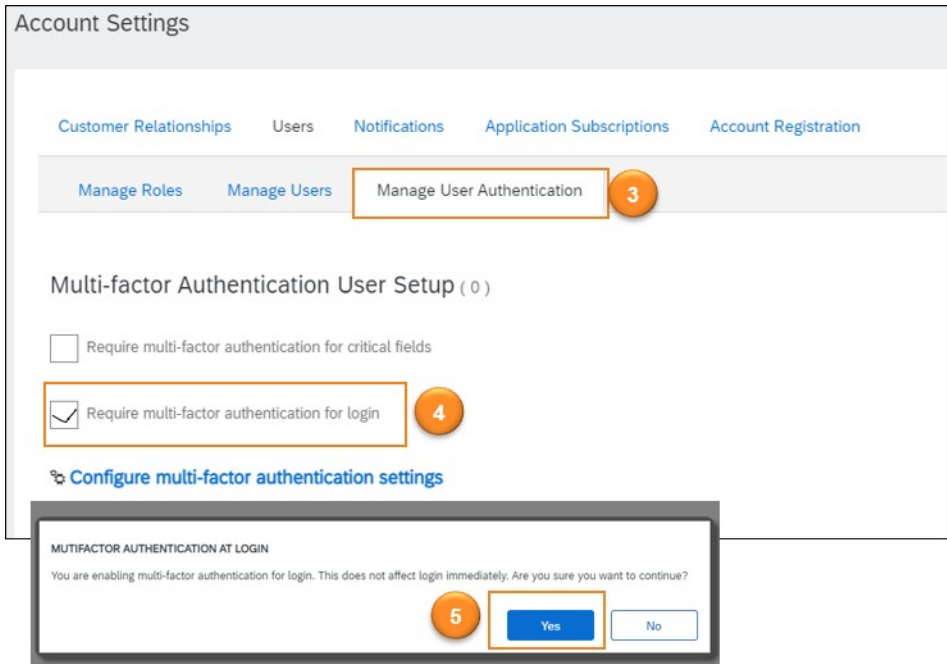
- Multifactor authentication is a two-step verification process where users are required to authenticate themselves a second time using a time-based verification code.
- Multi-factor authentication is an additional layer of security to prevent unauthorized access to your account and protect the data compared to the single step authentication process.
- With multifactor authentication enabled for login, users are required to perform the two-step verification process to log in to Ariba Network.
- When multifactor authentication is enabled for an organization, users must install an authenticator application such as SAP Authenticator from iTunes (for iOS devices) or from Google Play (for Android devices) in their hand-held devices to generate a time-based verification code (also called time-based one-time password). The time-based verification code setup is also compatible with third-party authenticators such as Google Authenticator or Microsoft Authenticator.

## How to Enable Multifactor Authentication:

NOTE: To perform the following steps, you must be the Administrator of your Supplier Ariba Network Account.

|   |   |
|---|---|
| 1   | Click on the icon with your initials in the top right corner.       |
| 2   | Select “Settings”, then select “Users”.                             |
|  |   |
| 3   | On the Account Settings screen, go to “Manage User Authentication”. |

|   |   |
|---|---|
| 4 | Check the box next to “Require multi-factor authentication for login”. This is required by Freeport for all Suppliers to ensure account security and prevent from potential frauds. |
| 5 | A pop-up message will appear, confirm the enablement of MFA by clicking “Yes”.  |



|   |  |
|---|--|
| 6 | Please “ <b>Save</b> ” your changes. You will see a confirmation message on the top that you profile has been updated. |
|---|--|

|   |   |
|---|---|
| 7 | <p>Next time you log into your Ariba Network account, you will see this message. Please <b>follow the instructions on the screen</b>.</p> <p>You will be asked to download and install an <b>SAP Authenticator application</b> (or any compatible authenticator application such as Google Authenticator or Microsoft Authenticator) on your mobile phone, and:</p> <ul style="list-style-type: none"> <li>• Scan the QR code displayed on the page, and enter the code in the <b>Time-based Verification Code</b> input box, or</li> <li>• Enter the secure key displayed on the page in the <b>Time-based Verification Code</b> input box.</li> </ul> |
|---|---|

Account Settings 6 [Save](#)

✓ Your profile has been successfully updated.

[Customer Relationships](#) [Users](#) [Notifications](#) [Application Subscriptions](#) [Account Registration](#)

Enable Multi-factor Authentication [Done](#) [Skip](#)


Your organization's Ariba Network administrator requires you to set up multi-factor authentication to login to the application and/or to change passwords or change some configuration related settings. You can set up multi-factor authentication either now or at a later time.

Perform the following steps to set up multi factor authentication:

- On your smart phone, download and install an authenticator application. SAP Ariba confirms that SAP Authenticator is a supported option. You can download it from [iTunes](#) or [Google Play](#)
- Open the authenticator application and scan the bar code below, or manually enter the secure key displayed below. The authenticator application displays a time-based verification code.

Secure Key:  
NHSRIGZGQQLI4WNR

Bar Code:



• On this page, in the Time-based Verification Code input field, enter the verification code that is generated and displayed by the authenticator application on your smart phone.

Your administrator has set up multi-factor authentication. Type the 6 digit verification code generated by the authenticator application on your device and click on the Submit button.

Time-based Verification Code: \*

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