

TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS ONLY

1. **Applicability** – Sections 1 – 33 apply to all purchases. Sections 34 - 36 apply, in addition to the foregoing, if the purchase is for a nuclear facility.

2. **Definitions** - The term "Company" refers to the affiliate of SCANA Corporation issuing the Request for Quotations ("RFQ") or Request for Proposals ("RFP") or the purchaser on the face of the Purchase Order ("Purchase Order"). The term "Supplier" refers to the person or entity to whom the RFQ, RFP or Purchase Order is addressed. The term "Contract" refers to the entire agreement between Company and Supplier, as set forth in the Purchase Order, these Terms and Conditions For The Purchase Of Goods Only, any Supplemental Documents ("Supplemental Documents" refers to any attachments, specifications, supplemental conditions, drawings, procedures or specifications contained or referenced in any of the foregoing), and the RFQ and/or RFP; the order of precedence among these documents shall be (1) Purchase Order; (2) these Terms and Conditions For The Purchase Of Goods Only; (3) any Supplemental Documents; and (4) the RFQ and/or RFP. The term "Laws" refers to all applicable federal, state or local laws, rules, regulations, or ordinances. The term "Goods" refers to the material and/or equipment to be furnished by Supplier.

3. **Compliance with Laws** – Supplier shall be responsible for knowing, and fully complying with, all Laws applicable to its responsibilities under the Contract, including but not limited to worker employment eligibility laws. Supplier shall, at its own expense, obtain, and at all times during the term of this Contract, maintain as current, any and all licenses, permits, certifications and/or registrations required by federal, state and local governments, regulatory authorities and commissions.

Conflict Minerals: Without limiting the generality of §3, with respect to any and all Goods (if any) under the Contract, Supplier represents that it is in full compliance with conflict minerals laws, including without limitation, §1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and amendments. If it is known that the Goods contain conflict minerals, Supplier should notify Company.

4. **Taxes** –

a. **Sales and Use Taxes** – Unless otherwise specified on the Purchase Order, Supplier shall exclude any sales and/or use tax in any submitted Contract price and on any resulting invoices to Company, and Company shall be responsible for the payment of any applicable sales/use taxes.

b. **All Other Taxes** – Except as provided in subsection a. above, Company shall have no liability for the payment of any payroll or employment compensation tax, social security tax, franchise tax, income, gross receipts, business license, or other federal, state or local tax or fee applicable to this Contract.

5. **Employment Practices** – To the extent not exempt, the Supplier and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a), 60-741.5(a), 48 CFR 52.219-8 and 48 CFR 52.219-9. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex or national origin. Moreover, these regulations require that covered Supplier and

subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability. Supplier and subcontractor shall also abide by the requirements of 29 CFR Part 471.

6. **Company's Name and Intellectual Property** – Supplier shall not use Company's name as a reference or for any other purpose without obtaining prior written consent from Company, and this consent shall be obtained separately for each proposed usage. Usage of Company's service marks, trademarks, logos or any other such intellectual property is specifically forbidden.

7. **Audits** – Supplier's and subcontractors' books, records, correspondence, bids, purchase orders, invoices, accounting procedures and practices and any other supporting evidence relating to the Contract (all the foregoing hereinafter referred to as "Records") shall be open to inspection and subject to audit and/or reproduction, during normal working hours, by Company to the extent necessary to adequately permit evaluation and verification of any invoices, payments or claims based on Supplier's or subcontractors' actual costs incurred directly in the delivery of Goods for the purpose of evaluating or verifying actual costs expended. Company shall have access to said Records from the date of the Contract and until three (3) years after the date of final payment by Company to Supplier pursuant to the Contract. Company shall have access to all necessary Supplier and subcontractor facilities and shall be provided adequate workspace to conduct audits in. Company shall give reasonable advance notice of intended audits.

8. **Subcontractors** – Supplier shall not subcontract the Contract in whole or in part without the written consent of Company. Consent by Company to any such subcontracting shall not relieve Supplier of its obligations.

9. **Force Majeure** – Neither party shall be liable to the other for any loss or damage due to any failure or delay in performance hereunder resulting from any cause beyond such party's reasonable control, including, but not limited to, acts of God; acts or omissions of civil or military authority; acts or omissions of the other party hereto; fires; floods; epidemic; quarantine restrictions; strikes or other labor disputes; wars or warlike circumstances; terrorism; or compliance with changes in applicable regulations or directives of national, state or local governments or any department thereof effective after the date of the Contract(s) affected by the force majeure.

10. **Indemnification** – Supplier hereby agrees to defend, indemnify and hold Company harmless from any liabilities, demands, claims, suits, actions, proceedings, fines, penalties, awards, forfeitures, losses, damages and expenses (including attorney's fees), arising out of or resulting in any way from any defect in the Goods, any breach of the Contract, or any negligent or willful act or failure to act on Supplier's part.

11. **Liens** – Supplier agrees to indemnify, hold harmless and defend Company from and against and relieve Company from all laborers', materialman's, mechanics' or other liens arising from the performance of Supplier's obligations under the Contract. To the

full extent permitted by applicable law, Supplier, for itself and all of its suppliers of any tier, waives all rights of lien against the property and premises of Company for Goods furnished.

12. **Intellectual Property** – Supplier shall assume at its sole expense the defense of and shall indemnify and hold Company harmless from any and all claims, demands, costs, suits, actions, proceedings, fines, penalties and attorneys' fees (and interest thereon) resulting from or relating to any actual or asserted infringement by Supplier of any patent, design, trade name, trademark or copyright, or claim of unfair competition on Supplier's part in connection with any Goods hereunder, except to the extent the same resulted from following directions, specifications, drawings, plans or procedures prepared by Company.

13. Confidentiality

- a. For purposes of this Section, "Confidential Information" shall mean the discussions between the parties concerning the Goods and/or the Contract; any and all written, electronic, printed or other materials disclosed (whether before or after the date hereof) by Company or its agents to Supplier or its agents and the substance and content thereof; all marketing, operational, economic or financial knowledge, information or data of any nature whatsoever relating to Goods; all analyses, compilations, forecasts, studies or other documents which contain or reflect any such information; and any other information or material which, by its nature, should be reasonably understood by Supplier to be proprietary or confidential.
- b. In the event that, "Critical Energy Infrastructure Information" (as defined in 18 CFR §388.113(c)(1)) and/or "Critical Infrastructure Information" (as defined in 6 USC §131(3)) is to be provided to Supplier, Supplier shall comply with requirements of the aforesaid and will execute a supplementary confidentiality agreement with Company prior to receipt of such information.
- c. Confidential Information shall not include the following:
 - (1) Information that at the time of disclosure by Company is publicly available, or later becomes publicly available other than as a result of disclosure by Supplier;
 - (2) Information received by Supplier on a non-confidential basis from a third party which, to the best of the Supplier's knowledge, did not acquire such information on a confidential basis either directly or indirectly from the Company; and
 - (3) Information that the Supplier can demonstrate was independently developed by it or for it and not obtained, in whole or in part, from Company.
- d. Supplier agrees to keep confidential, and ensure that its employees and agents keep confidential, all Confidential Information and shall not, without Company's prior written consent, disclose to any third party such Confidential Information. Supplier shall limit the disclosure of the Confidential Information to only those of its employees and agents as is reasonably necessary to provide the Goods. Supplier shall use the Confidential Information solely for the purpose of providing the Goods.
- e. In the event that Supplier is requested or required by depositions, interrogatories, requests for information or documents, subpoena, civil investigation, demand or similar process to disclose any Confidential Information, Supplier shall provide to Company notice of such request(s) and shall use reasonable efforts to resist disclosure, until an appropriate protective order may be sought and/or waiver of compliance with the provisions of this Section granted.

14. **Warranty** – Unless otherwise stated on the Purchase Order, for a period of one (1) year from date of acceptance of the Goods (acceptance shall be within a reasonable time from receipt). Supplier hereby expressly warrants that all Goods furnished pursuant to the Contract shall be in full conformity with the Contract; shall comply with all applicable Laws at the time of delivery; shall be free from defects in design, material and workmanship; shall conform to the applicable specifications, instructions, drawings, data, and samples; shall be fit and sufficient for the purposes intended by Company; and shall be free from all liens and encumbrances. Said warranties shall be in addition to all other warranties, express, implied or statutory. Warranties shall survive acceptance of payment for any and all Goods required pursuant hereto and shall run to Company. In the event of a remedial action to correct defective Goods, the warranty period for that portion of the Goods affected by such remedial action shall be one (1) year after completion of the remedial action.

15. **Work for Hire** – All materials produced by Supplier for Company in connection with the Work are considered work made for hire and shall be deemed Company's property. Supplier agrees not to use or release to others any of such property for purposes other than the Work performed hereunder unless prior written consent to the contrary is given by Company. All originals of data, plans, specifications, computer programs, maps and drawings prepared and furnished by the Supplier which are not specifically prepared for use in the Work shall remain the property of the Supplier, but Company shall be provided copies of same without exception.

16. **Payment** – Unless otherwise mutually agreed in writing, payment of the undisputed amount of a valid invoice shall be made within thirty (30) days after date of invoice. Invoices may not be submitted prior to shipment of Goods. Invoices shall be itemized to show separate charges for Goods supplied to Company, freight and incidental charges.

17. **Formation of Contract** – Supplier and Company shall be bound by this Contract and its terms and conditions when Supplier executes and returns the unaltered, Purchase Order acknowledgement or otherwise acknowledges acceptance of the Contract. Alternatively, Company, at its sole option, may deem the Contract to be valid when Supplier delivers any of the items required under the Contract.

18. **Governing Law and Venue** – The Contract shall be governed by the laws of the State of South Carolina. In the event that the Company has its principal place of business in North Carolina, venue for any action arising out of this Contract, that for whatever reason is not resolved through arbitration, shall be resolved exclusively in the General or Superior Courts of Wake, Gaston or Buncombe Counties, North Carolina. In every other case, venue for any action arising out of this Contract, that for whatever reason is not resolved through arbitration, shall be resolved exclusively in the Circuit Court of Lexington County, South Carolina.

19. **Assignment** – Supplier shall not assign the Contract without the prior, written consent of Company.

20. **Termination** – Company may terminate the Contract for its own convenience, in whole or in part, at any time by written notice to Supplier. In the event of termination by Company for convenience, Company shall pay Supplier for actual costs incurred under

this Contract up to the date of termination which Supplier cannot, despite reasonable efforts, avoid. Company may, by written notice to Supplier, terminate this Contract for cause if Supplier voluntarily files a petition in bankruptcy, is adjudicated as bankrupt in an involuntary bankruptcy proceeding, makes an assignment for the benefit of creditors, or has a receiver appointed for some or all of Supplier's property; if Supplier becomes involved in a merger, consolidation, or change of business form or if Supplier transfers substantially all of its assets to another person or entity; if Supplier fails to take action to cure a default within the time specified in such notice or a reasonable amount of time if not specified; if Supplier refuses or fails to furnish the Goods within the time specified; or if Supplier fails to satisfy a request of Company that Supplier demonstrate that it will be able to perform the Contract; and Supplier shall be liable to Company for any excess cost occasioned Company thereby. In the event of default by Supplier, Company shall retain any and all rights available to it under the law.

21. **Waiver** – The invalidity in whole or in part of any condition of the Contract shall not affect the validity of the other conditions. The remedies herein shall be cumulative and additional to any other remedies in law or in equity. No waiver of a breach of any provision of the Contract shall constitute a waiver of any other breach of such provision.

22. **Changes, Alterations and Modifications** – Company shall have the right at any time prior to delivery of Goods to make changes in drawings, designs, specifications, packaging, time and place of delivery and method of transportation. If any such changes cause an increase or decrease in the cost, or the time required for the performance, or otherwise affects any other provision of the Contract, an equitable adjustment may be made with the advance written consent of Company.

23. **Kickbacks and Gratuities** – Supplier and all subcontractors are prohibited from providing, soliciting or accepting any kickback. Supplier and all subcontractors are prohibited from offering or giving a gratuity to an officer, official or employee of the Company. Supplier shall promptly report any violation or suspected violation to Company's Director – Corporate Security or Claims.

24. **Creditworthiness** – The Contract is conditioned upon and subject to Supplier maintaining its financial creditworthiness required to perform its responsibilities under the Contract. At any time during the Contract, Company may request financial information to support its financial due diligence procedures. Supplier agrees to assist in this reasonable financial review. If reasonable grounds for insecurity of payment and/or performance arise or if Company believes in good faith that the creditworthiness of Supplier has been diminished, Company may demand satisfactory adequate assurance of payment and/or performance from Supplier.

25. **Right Of Off-set** – Supplier acknowledges and agrees that Company has and reserves the right to off-set any amount(s) owed by Company to Supplier under this Contract by any amount(s) which Company otherwise regards as payable by Supplier to Company for which Company has legal and/or equitable grounds for recovery against Supplier and as to which demand therefor has previously been made by Company. This right to off-set includes any amounts owed by Company to Supplier under the Contract,

any other agreements with Supplier, and any agreements with any affiliates of Supplier which include a provision similar to this Section.

26. **Shipment** – Unless otherwise specified in the Contract, all Goods are shipped FOB Destination. Unless otherwise specified in the Contract, title and the risk of loss or damage to the Goods supplied shall pass to Company when such Goods have been delivered to and accepted by Company. All transportation costs resulting from deviation from shipping instructions and any other costs incurred by Company because of Supplier's non-compliance with the terms and conditions, including, but not limited to shipping deadlines, of the Contract shall be charged to Supplier. Company shall not be charged for packing or drayage unless otherwise indicated on the face of the Purchase Order.

27. **Entire Agreement** – The Contract constitutes the entire agreement between the parties, and all prior negotiations, proposals and writing pertaining to the Contract, or the subject matter hereof, are superseded hereby. Unless specifically incorporated by reference within the body of the Purchase Order, reference to Supplier's quotation, bid, or proposal does not imply, and shall not constitute acceptance of, any terms, conditions or instruction contained in such document unless such terms, conditions or instructions are more favorable to Company than those contained in the Contract. Any invoice, acknowledgment or other communication issued by Supplier in connection with the Contract shall be construed to be for records and accounting purposes only, and no terms and conditions stated in such communication shall be applicable to the Contract and shall not be considered to be Supplier's exceptions to the provisions of the Contract.

28. **Time of the Essence** – TIME OF DELIVERY IS OF THE ESSENCE - Supplier shall promptly notify Company of any actual or anticipated delay in performance and take all reasonable steps to avoid or end delays without additional cost to Company.

29. **Security** – Supplier shall comply with all of Company's security programs and requirements.

30. **Arbitration** - Any controversy or claim arising out of or relating to this Contract, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The arbitration shall be conducted in accordance with the Federal Arbitration Act, 9 U.S.C. Section 1 *et seq*, and the venue for the arbitration shall be Columbia, South Carolina.

31. **Software** –

- a. In the event software is procured through the submission of a Purchase Order, the parties agree that any pre-printed terms, shrink-wrap terms or click agreement(s) shall not be applicable, but the terms of this Contract shall apply.
- b. Company shall be granted a non-exclusive, fully paid, perpetual and irrevocable license to use the software for any business purpose. The license is deemed to be an enterprise license for Company and its Affiliates.

- c. Supplier warrants that the software shall operate per its intended purpose and that Supplier has the right to grant a license to use the software and that the software is free of all liens, claims, encumbrances, and other restrictions and without otherwise violating any rights of any third party, including any intellectual property rights, patent, copyright, trade secret or other proprietary rights.
- d. The parties expressly disclaim and waive the application of the Uniform Computer Information Transactions Act ("UCITA") to this agreement and any claims arising under or related to this Agreement.
- e. Supplier shall provide to Company, upon the delivery of the Software, all published documentation and specifications that are necessary to enable Company to operate the software. Company shall have the right to copy all documentation.

32 Counterfeit/Suspect Goods

Only new and authentic materials are to be used in Goods delivered to Company. No counterfeit or suspect counterfeit items/parts are to be contained within the delivered Goods. When applicable, Goods shall be purchased directly from the original equipment manufacturer ("OEM"), or through the OEMs; and documentation must be available that authenticates traceability to the applicable OEM. Subcontractors shall not be used without written consent from Company.

Counterfeit – Goods that are illegal or unauthorized copies or substitutes of OEM items; items that do not contain the proper external or internal materials or components required by the Purchase Order or that are not constructed in accordance with Purchase Order requirements; items or components thereof that are used, refurbished or reclaimed but the Supplier represents as being new items; items that have not successfully passed all OEM required testing, verification, screening and quality control but that Supplier represents as having met or passed such requirements; or items with labels or other markings intended, or reasonably likely, to mislead a reasonable person into believing non-OEM items are genuine OEM items when they are not. Goods that have been modified pursuant to Purchase Order requirements, such as refinished, up-screened, or up-rated Goods that are properly identified as such are not considered suspect or counterfeit.

Suspect Counterfeit – Goods in which there are indications by visual inspection, testing, or other information that they may have been misrepresented by Supplier or OEM and may meet the definition of counterfeit Goods.

33. Delivery of Suspect/Counterfeit Goods

The delivery of suspect/counterfeit Goods or components of Goods are of special concern to Company. Supplier shall assure that Goods supplied by Supplier meet all requirements of the Purchase Order and the then current version of the applicable manufacturer data sheets, product descriptions, and/or industry standards unless agreed otherwise in writing. Goods specified in this Purchase Order may be identified or described by reference in the Purchase Order to part or model numbers, product descriptions, and/or industry standards. Regardless, however, of the absence of reference to specific part or model numbers, product descriptions, and/or industry standards, Supplier shall nevertheless be responsible to assure that the Goods are not

suspect/counterfeit. Should Supplier not be the OEM of the Goods, Supplier shall make reasonable efforts to assure that the Goods supplied under this Purchase Order are made by the OEM and comply with the manufacturer's data sheets and/or industry standards. Should Supplier wish to supply alternate Goods, Supplier shall notify Company, specifically identify all exceptions, and receive Company's written approval prior to shipment of the alternate Goods to Company.

If suspect/counterfeit Goods are furnished under this Purchase Order and are found in anything delivered hereunder, such Goods will be impounded by Company. Supplier shall promptly replace such suspect/counterfeit Goods with Goods acceptable to the Company and Supplier shall be liable for all costs relating to the removal and replacement of the Goods and/or the impoundment and retrieval of the suspect/counterfeit Goods.

APPLICABLE TO NUCLEAR FACILITY

34. **Nuclear Reporting** - Supplier shall comply with all provisions of Title 10CFR21. Any defects or noncompliance reported to the Nuclear Regulatory Commission shall also be reported to SCE&G Company Manager - Nuclear Licensing.

35. **Nuclear Safeguards Information** - Supplier shall protect Safeguards Information pertaining to the V. C. Summer Nuclear Station as required by Title 10CFR73.21.

36. **Nuclear Whistleblowers** - Supplier promptly shall report to Company any allegations by the Supplier's employees that they have been discriminated against for raising concerns about the quality of the Supplier's product or service provided to Company.