

NORTHEAST UTILITIES SERVICE COMPANY
AGREEMENT AS TO
GENERAL TERMS AND CONDITIONS
FOR
ELECTRONIC PURCHASE ORDER TRANSACTIONS

This Agreement is entered into this _____ day of _____, 200__, by and between Northeast Utilities Service Company, a Connecticut corporation (Purchaser), and _____ (Seller).

WHEREAS, Seller desires to enter into future contracts for the sale of goods to Purchaser; and,

WHEREAS, Purchaser desires to obtain from Seller in the future such goods as Purchaser deems necessary; and,

WHEREAS, the parties mutually desire to utilize electronically generated orders delivered via computer networks in order to facilitate savings of both cost and time; and,

WHEREAS, the parties mutually desire to utilize electronically placed orders, the parties mutually desire to enter into an agreement as to the general terms and conditions governing such purchases;

NOW, THEREFORE, in consideration of the premises and mutual promises and agreements expressed herein, the parties hereto agree to the following:

1. Acceptance of Offer - Seller's shipment of goods shall be deemed an effective mode of acceptance of Purchaser's offer to purchase contained in this Electronic Purchase Order ("EPO"). Any acceptance of this EPO is limited to acceptance of the express terms of the offer contained on this EPO. Any proposal for additional or different terms or any attempt by Seller to vary in any degree any terms of this offer in Seller's acceptance is hereby objected to and rejected, but such proposal shall not operate as a rejection of this offer unless such variances are in the terms of the description, quantity, price, or delivery schedule of the goods, but shall be deemed a material alteration thereof, and this offer shall be deemed accepted by the Seller without said additional or different terms. If this EPO shall be deemed an acceptance of a prior offer by Seller, such acceptance is limited to the express terms contained in this EPO. Additional or different terms or any attempt by Seller to vary in any degree any of the terms of this EPO shall be deemed material and shall be rejected. However, this EPO shall not operate as a rejection of the Seller's offer unless it contains variances in the terms of the description, quantity, price or delivery schedule of the goods.

2. Purchaser: Other Definitions - Except as otherwise set forth in this paragraph, the "Purchaser" under this EPO is Northeast Utilities Service Company, a Connecticut corporation

("NUSCO"), as agent for the company or companies listed in the "Furnish and Ship To" block on the face of the first page of this EPO. NUSCO acts as purchasing agent for subsidiaries of Northeast Utilities (a public utility holding company), including, but not limited to, Connecticut Light & Power Company ("CL&P"), Western Massachusetts Electric Company ("WMECO"), Public Service Company of New Hampshire ("PSNH"), Yankee Energy Services Company ("Yankee"), Northeast Generation Services Company ("NGS"), and Northeast Generation Company ("NGC").

3. Terms of Payment - Purchaser shall pay each invoice or provide written notice of objections within 60 days of receipt of invoice or acceptance of the goods, whichever is later.

4. Returns - Purchaser reserves the right to return at Seller's expense any overshipments or items that deviate from the requirements of this EPO.

5. Changes - Purchaser has the right to require Seller to make changes or additions ("Changes") to the goods that are of the character of the goods ordered hereunder to the extent such Changes are within the general expertise of Seller. All Changes shall be effective only Upon Purchaser's issuance of a written change order.

6. Approval of Specification and Designs - Approval of Seller's specifications, designs, plans, drawings or procedures ("Plans") by the Purchaser shall in no way reduce or modify the Seller's obligation to meet performance and other requirements of this EPO. By such approval Purchaser in no way assumes any part of the Seller's Responsibility for acceptable Plans or for the satisfactory performance of resulting goods furnished in accordance with the Plans.

7. Indemnity and Insurance - Seller shall indemnify and hold Purchaser, its employees, agents and affiliates harmless from and against any and all claims, liability, damages, losses, fines, penalties, actions or proceedings, costs and expenses of every type whatsoever (including without limitation, attorneys' fees and expenses and costs of litigation) arising from injury to persons (including death) or damage to property of third parties due to any acts or omissions of Seller, its employees, agents, subcontractors or those under its or their control. In addition, if any goods provided by Seller infringe upon third party rights, Seller, shall, at its expense, promptly procure all rights for Purchaser's continued use of the goods or replace the goods with equivalent goods which do not infringe upon third party rights.

Seller further agrees to obtain, and maintain at its expense, such insurance as will insure the provisions of this indemnity obligation, including, without limitation, claims for products liability and for workers compensation.

8. Termination for Failure to Perform - If Seller fails to perform or breaches any term of this EPO as specified herein, Purchaser shall have the right without any liability to Purchaser, upon giving Seller two (2) days written notice, to terminate this EPO in whole or in part and obtain the goods to be purchased under this EPO from another vendor with any costs exceeding the costs set forth in this EPO to be paid by Seller. If Purchaser terminates this EPO due to Seller's failure to perform, or breach of, this EPO, Purchaser shall not be liable to Seller for any sums regardless of whether Seller has incurred costs and expenses in attempting to fulfill this EPO. If Purchaser terminates this EPO for cause pursuant to this Paragraph 8 and it is subsequently determined by a court of competent jurisdiction that such termination was without cause, such termination shall thereupon be deemed a Termination for Convenience under Paragraph 9 and the provisions of Paragraph 9 shall apply.

9. Termination for Convenience - Purchaser may, for any reason whatsoever, terminate performance under this EPO by Seller for convenience. Purchaser shall give written notice of such termination to Seller specifying when termination becomes effective. Seller shall incur no further obligations in connection with the EPO, and Seller shall stop deliveries when such termination becomes effective. Seller shall settle the liabilities and claims arising out of the termination of subcontracts and orders. Seller shall transfer title and deliver to Purchaser such completed or partially completed work and materials, equipment, parts, fixtures, information and contract rights as Seller has, if requested to do so by Purchaser. When terminated for convenience, Purchaser shall pay Seller the cancellation charge specified on the face of this EPO, or in its absence:

(a) a percentage of the price under this EPO equal to the percentage of the work completed or goods supplied up to the date of termination; and

(b) direct costs of Seller (excluding profit and after best efforts to mitigate costs) of cancellation.

10. Information - Seller shall supply to the Purchaser, without restriction on use, all information necessary to install, operate, maintain, and repair the goods provided under this EPO. Purchaser shall own the copyright to any copyrightable works prepared for and delivered to Purchaser by Seller as part of the performance of this EPO. Sellers having access to Purchaser's information systems shall abide by Purchaser's information security rules.

11. Warranty - In addition to any express warranties that Seller makes, Seller warrants that all goods and services shall be of merchantable quality and fit for the particular purpose for which they will be used if that purpose is reasonably known to Seller. Seller further warrants that the goods and services shall be free from defects in title, workmanship, and material for a period of not less than two (2) years from date of final payment by Purchaser.

12. Advertising - Seller shall not engage in any advertising or other publicity that mentions the relationship between the parties or the goods provided under this EPO.

13. Waiver - No waiver by either party of any of its rights for a particular event of default by the other shall be deemed to be a waiver of any other event of default or of any other rights or remedies under this EPO. Purchaser's acceptance of different or nonconforming goods shall not be construed as a waiver of any of Purchaser's rights or remedies under this EPO or under applicable law.

14. Assignment. Seller shall not assign, delegate or subcontract this EPO or any part thereof without the Purchaser's prior written consent. Purchaser may assign all or any part of this EPO without restriction.

15. Compliance with Law - Seller shall comply with all applicable federal, state and local laws, ordinances, rules, regulations, including specifically but without limitation those relating to Equal Employment Opportunity laws, rules and regulations, and orders respecting the goods and services provided under this EPO.

16. Priority of Documents - In the event of conflict among documents referred to on the face of this EPO, the order of priority shall be: 1) the terms appearing on the face of this EPO; 2) any special conditions supplied by Purchaser; 3) these General Terms supplied by Purchaser; 4)

any technical specifications supplied by Purchaser; 5) any drawings supplied by Purchaser; 6) any remaining documents referred to on the face of this EPO.

17. Risk of Loss - Unless otherwise specified by Purchaser, risk of loss for all goods provided pursuant to this EPO shall not pass to Purchaser until the goods have been put into the Purchaser's possession and have been accepted by Purchaser.

18. Right to Audit - Purchaser shall have the right at all reasonable times and at its expense to inspect and audit the books and records of Seller insofar as they pertain to the charges payable under this EPO as set forth in invoices furnished hereunder.

19. Applicable Law - The validity, construction, interpretation and performance of this EPO shall be governed in all respects by the laws of the State of Connecticut, and both Purchaser and Seller expressly consent to the exclusive jurisdiction of courts of the State of Connecticut in any action to enforce this EPO.

20. Small, Small Disadvantaged, And Women Owned Small Businesses.

20.1 Purchaser is a government contractor and fully supports the government's policies of ensuring that Small, Small Disadvantaged, and Women Owned Small Business have every opportunity to compete for government contracts and subcontracts. Purchaser has and will continue to commit to filing annual Subcontracting Plans regarding the utilization of Small, Small Disadvantaged, and Women Owned Small Businesses as contractors and subcontractors in accordance with Federal Acquisition Regulation 52.219. SELLER MAY BE REQUIRED TO SUBMIT DATA AND/OR SUBCONTRACTING PLANS REGARDING SUBCONTRACTOR'S UTILIZATION AND INTENDED UTILIZATION OF SUCH SMALL, SMALL DISADVANTAGED, AND WOMEN OWNED SMALL BUSINESSES DURING THE TERM OF THIS CONTRACT.

20.2 Flow-down of Federal Acquisition Requirements (FAR) Clause 52.219-8 -- Utilization of Small Business Concerns. Utilization of Small Business Concerns (Oct 2000).

(a) It is the policy of the United States that small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns shall have the maximum practicable opportunity to participate in performing contracts let by any Federal agency, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems. It is further the policy of the United States that its prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns.

(b) The Contractor hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with efficient contract performance. The Contractor further agrees to cooperate in any studies or surveys as may be conducted by the United States Small Business Administration or the awarding agency of the United States as may be necessary to determine the extent of the Contractor's compliance with this clause.

(c) *Definitions.* As used in this contract—

"HUBZone small business concern" means a small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration.

"Service-disabled veteran-owned small business concern"-

(1) Means a small business concern-

- (i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and
- (ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern" means a small business as defined pursuant to Section 3 of the Small Business Act and relevant regulations promulgated pursuant thereto.

"Small disadvantaged business concern" means a small business concern that represents, as part of its offer, that—

- (1) It has received certification as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B;
- (2) No material change in disadvantaged ownership and control has occurred since its certification;
- (3) Where the concern is owned by one or more individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and
- (4) It is identified, on the date of its representation, as a certified small disadvantaged business in the database maintained by the Small Business Administration (PRO-Net).

"Veteran-owned small business concern" means a small business concern-

- (1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and
- (2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern" means a small business concern--

- (1) That is at least 51 percent owned by one or more women, or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(2) Whose management and daily business operations are controlled by one or more women.

(d) Contractors acting in good faith may rely on written representations by their subcontractors regarding their status as a small business concern, a veteran-owned small business concern, a service-disabled veteran-owned small business concern, a HUBZone small business concern, a small disadvantaged business concern, or a women-owned small business concern.

21. Contracts; Notices - Unless Seller receives written notice to the contrary, Seller shall be entitled to deal only with NUSCO, except as may otherwise be specified with respect to billing and payments under the EPO. Any notice or other communication given or furnished, or any action taken by NUSCO, as the case may be, making reference to this EPO and given, furnished or taken in accordance herewith, shall be deemed to be notice given or communication furnished or action taken by the company or companies listed in the "Primary Ship To" block on the first page of this EPO.
22. Infringement - If any goods or services provided by Seller infringe upon third party rights, Seller shall, at its expense, promptly procure all rights for Purchaser's continued use of the goods or services or replace the goods or services with equivalent goods or services which do not infringe upon third party rights.
23. Independent Contractor/Seller's Responsibilities - Seller, its agents, subcontractors, employees, and those under its control shall perform all activities under this EPO as independent contractors and shall not be deemed to be employees or agents of Purchaser for any purpose whatsoever. No act or order of Purchaser relating to this EPO shall be deemed to be the exercise of supervision or control of the performance of services under this EPO. None of the other benefits provided by Purchaser to its own employees, including but not limited to workers' compensation, unemployment insurance, health insurance, and pensions are available from Purchaser to Seller, its agents, employees, subcontractors or those under its control. Seller shall at all times be responsible for its acts or omissions and those of its employees, subcontractors, and those under its control.
24. Safety/Site Rules - Seller shall comply with Purchaser's safety and site rules during the term of this EPO. Seller shall provide goods and services in such a manner as to fully cooperate with Purchaser's forces and to minimize disruption to Purchaser's operations. All persons employed by Seller, its agents, subcontractors, or under its control ("Workers") shall be instructed in and familiar with safety and health rules and regulations. When performing work in close proximity to Purchaser's employees, Purchaser's safety and health rules apply. All workers who work in the vicinity of energized conductors or equipment shall be instructed by seller in approved methods of artificial resuscitation before beginning work. Upon request, Seller shall furnish Material Safety Data Sheets (MSDS) for any product to be used in the work. No product for which an MSDS has been requested shall be used until the MSDS has been reviewed by Purchaser.
25. Rights and Liabilities of Principals - All benefits, protections, indemnifications and other rights in favor of Purchaser under this EPO shall also benefit, protect and indemnify the principals hereunder, in accordance with this section.
26. Hazardous Waste - In keeping with Purchaser's Pollution Prevention Strategy, Seller shall provide to Purchaser's Representative or designee a written description of and justification for the use of any products or processes in the performance of the EPO that may result in the generation of hazardous waste, as defined in Title 40 of the Code of Federal Regulations, part 261 (40 CFR 261). Such justification must identify, prior to the start of the work under this EPO

and to the satisfaction of Purchaser's Representative or designee, the practices used to minimize such generation and demonstrate that it has taken all possible steps to eliminate or reduce to the maximum extent possible such generation.

- a. Seller shall ensure the environmentally responsible management of any hazardous wastes that result from performing the work under this EPO. Seller shall comply fully with all state and federal environmental laws and regulations pertaining to the management of such wastes. Seller is solely responsible for the proper identification, documentation, handling, storage, minimization, processing and recycling of all such wastes. Unless otherwise indicated, Purchaser shall be responsible for manifesting, transporting and removing from Site all such wastes. Seller shall be liable for any and all costs incurred by Purchaser, at Purchaser's sole discretion, for the storage, handling, processing, removal and disposal thereof.
- b. Seller and its Subcontractors shall indemnify Purchaser, its parent, affiliates and its and their employees, agents, officers and directors and hold it and them harmless from any and all damages, claims, demands, or suits of any kind for injury to persons, including death, and damage to property suffered by any person (including employees of Seller and any Subcontractor) or by any firm or corporation arising out of, or claimed to have arisen out of, any acts or omissions of Seller, its Subcontractors, agents, or employees related to or involving hazardous waste generated during the performance of the EPO. This indemnification shall include any liability or claims related to the storage, handling, processing, release, or removal from Site of any such hazardous waste by Seller, its subcontractors, transporters, recyclers, or any treatment, storage or disposal facility used by Seller or such other persons. Further, this indemnification shall include liability for any and all costs or penalties (including legal, attorney, administrative, or regulatory fees and expenses) incurred or imposed as a result of actions pursued by federal, state or local governments or agencies related, in any way whatsoever, to the management of such hazardous waste.
- c. Where applicable, Seller agrees to use the EPA identification number assigned to the Purchaser Site at which Seller is working. The use of such EPA number shall not constitute assumption of environmental liability by Purchaser. In the event Purchaser has no EPA number for the Site in question, Seller shall apply for a temporary number.
- d. No chemical consumable product may be delivered without written pre-approval by the Purchaser's Representative or designee in the manner provided in the first paragraph of this Article 25. As a condition precedent to such pre-approval, Seller shall identify to Purchaser's Representative any and all chemical consumable products that will be used in performing the Work. Such identification shall include a copy of the product's Material Safety Data Sheet (MSDS), the specific use and location of use, and the expected quantity that will be required to perform the EPO. Purchaser's consideration of Seller's request shall involve the products' health and safety hazards, environmental hazards, potential for degrading Purchaser's systems or components, and potential for creating a hazardous waste. A substitute product may only used following the receipt of express written permission by the Purchaser's Representative. Seller is solely responsible for any costs or expenses incurred by Purchaser as a result of Seller's use of a product that has not been specifically authorized.

Following completion of this EPO, Seller shall identify to Purchaser's Representative all wastes that it reasonably believes constitute hazardous waste. Final classification of such waste shall be at the

sole discretion of Purchaser's Representative. Unless directed otherwise by Purchaser, Seller shall promptly remove any and all equipment and consumables from the Site. In the event that Seller fails to complete such removal in a timely fashion following completion of the EPO, Purchaser may, at its sole discretion, retain any such material as property of Purchaser or arrange for its removal at the sole expense of Seller. Such expenses to be borne by Seller include, without limitation, the costs of laboratory testing, storage fees, processing, treatment, transportation, recycling, and disposal. The manifesting, transportation and removing from Site of any and all hazardous waste shall be effected by Purchaser, at Seller's sole expense, as provided in Section (a).

(Seller - Typed Name)

By: _____
(Authorized Signature)

(Typed Name)

(Title)

Northeast Utilities Service Company
(Purchaser)

By: _____
(Authorized Signature)

(Typed Name)

(Title)