

**Madison Gas and Electric Company
Purchase Order Terms and Conditions**

Acceptance. The terms and conditions contained herein constitute the final and complete agreement between Madison Gas and Electric Company ("MGE") and the party from whom MGE purchases goods and/or services ("Contractor"). MGE and Contractor are collectively referred to herein as "the Parties." Contractor's acknowledgement of any order or commencement of performance constitutes Contractor's unqualified acceptance of these terms and conditions. No modification of these terms and conditions and no term or condition stated by Contractor in accepting or acknowledging any order shall be binding on MGE unless the term or condition has been specifically approved in writing by an authorized representative of MGE. These terms and conditions shall exclusively control the relationship of the Parties, and MGE hereby gives Contractor notice that it rejects all terms and conditions of Contractor that are different from or additional to the terms and conditions contained herein. To the extent that any order may be treated as an acceptance of any prior offer by Contractor, such acceptance is expressly made on the condition that Contractor agrees to these terms and conditions, and any performance by Contractor shall constitute such agreement. In no event will MGE's acceptance of goods or services constitute acceptance by MGE of Contractor's terms or conditions.

Compensation and Payments. In consideration of the complete, safe, and timely provision of the services and/or goods specified in this Purchase Order (the "Work"), MGE shall pay Contractor in accordance with the price specified on the face of this Purchase Order (the "Contract Price"). Contractor shall invoice MGE in a timely fashion and in conformance with any invoice dates specified on the face of this Purchase Order. MGE agrees to pay Contractor per payment terms specified on this Purchase Order, or if none are listed, then within thirty (30) calendar days after the receipt of Contractor's invoice. Payment shall be made on the condition that Contractor has provided the Work as required by this Purchase Order; and is not in default of any of the terms, provisions, or conditions of this Purchase Order. In the event that Contractor is in default of any of the terms, provisions, or conditions of this Purchase Order, MGE may withhold any and all payments until such default is cured. The making of any payment to Contractor for work while Contractor is in default or the Work is defective shall not constitute a waiver of such default or MGE's right to have the Work removed, corrected, or reperfomed nor shall such payments operate as a waiver of the right of MGE to withhold all further payments or any part thereof until such default is corrected or the Work removed, corrected, or reperfomed. No payments made by MGE shall be considered as evidence of the proper or acceptable provision of the Work, either wholly or in part, nor shall any payment be construed as acceptance of any defect related to the Work or any part of the Work. Contractor shall, if required by MGE, at time of delivery or when final payment is requested, furnish MGE with a verified certificate showing (a) names of Contractor's suppliers and subcontractors who provided materials or services related to the Work and (b) the materials, equipment, or services supplied by each supplier or subcontractor. Contractor shall furnish lien waivers or other evidence acceptable to MGE that said suppliers or subcontractors have been paid in full or in sufficient amount to justify the requested payment. The final payment shall be paid to Contractor when the Work is accepted by MGE in accordance with this Purchase Order. Acceptance by Contractor of final payment of the price shall constitute a waiver of all claims against MGE.

Delivery. Unless otherwise agreed to in writing by the Parties, Contractor shall deliver the goods to MGE's designated location using Contractor's standard methods for packaging and shipping. All prices are FOB destination. Delivery must be made within the time stated on the face of this Purchase Order. In all cases, should delivery not be effected as requested, MGE reserves the right, in its opinion, to declare this Purchase Order in default, to purchase elsewhere and charge Contractor for any loss incurred as a result thereof or to cancel the order. Acceptance by MGE of a late delivery of either the whole or a part of the order shall not constitute a waiver of MGE's claim for damages which the late delivery may have caused. Goods shipped to MGE in advance of delivery scheduled may be returned to Contractor at Contractor's expense. MGE refuses to accept delivery of any equipment and materials that are defective. Defective equipment or materials will be determined solely by MGE employees. Time is of the essence as to delivery.

Loss or Damage. Until accepted by MGE, the Work shall be at Contractor's risk, and if any loss, theft, or damage to the Work occurs prior to such acceptance, regardless of passage of title directly to MGE prior to such acceptance, Contractor shall, without cost to MGE, promptly make repairs, replacements, or reperform the Work as necessary to place the Work in the condition required by this Purchase Order.

Acceptance. Acceptance of the Work (or any agreed-upon portion of the Work) shall occur only when (a) the Work is complete and meets all of the requirements of this Purchase Order including, but not limited to, quantity specified; (b) any defaults have been cured or any defects in the Work have been replaced and/or repaired by, or at the expense of, Contractor; and (c) Contractor has furnished proof acceptable to MGE that any and all claims, liens, or encumbrances against the Work have been satisfied. Neither payment by MGE to Contractor under this Purchase Order, nor any use of the Work by MGE, nor any act of acceptance by MGE, nor any failure to do so, nor any correction of defective work by MGE will constitute an acceptance of work furnished by Contractor in accordance with this Purchase Order. MGE reserves the right to reject the Work, or any portion thereof, at any time that the Work is found to be defective or not to conform to the requirements of this Purchase Order. If MGE rejects any or all of the Work, MGE may, at MGE's option, require Contractor to promptly remove the defective work, correct the defective work, replace the defective work with nondefective work, and/or reperform defective work at Contractor's risk and expense. If MGE rejects all or any portion of the Work, MGE may, at MGE's option, require Contractor to promptly reperform any such defective work. MGE reserves the right to revoke acceptance of the Work if MGE accepted the Work on the reasonable assumption that the nonconformity or defect would be cured by Contractor and has not been reasonably cured or without discovery of such nonconformity or defect if acceptance was reasonably induced either by the difficulty or discovery before acceptance or by Contractor's representations and

assurances. In the event of such revocation, MGE reserves the right to reject the Work in accordance with this section of this Purchase Order.

Final Inspection and Payment. Contractor shall inform MGE when all Work is completed, and MGE shall thereupon inspect the Work within a reasonable period of time. Inspection of the Work shall not relieve Contractor from liability for failure to perform the Work properly and as required by this Purchase Order. Contractor shall correct, at Contractor's expense, any Work determined by MGE not to comply with this Purchase Order or that is not in conformance with the plans and specifications agreed to by the parties. After final inspection has been completed, Contractor shall certify that all Work has been so completed and that all liens, claims, and demands for payment of all labor, materials, and other costs of construction have been fully satisfied. MGE shall pay Contractor the balance due for the Work within thirty (30) days of receiving Contractor's final invoice for the Work on the condition that (a) the Work is satisfactory and in compliance with all terms and conditions of this Purchase Order; (b) the Contractor has provided proof to MGE that the Work is not subject to any lien, claim, or demand for payment; and (c) the Work has been accepted by MGE. Acceptance by Contractor of the final payment shall release MGE from any and all claims and liabilities to Contractor arising out of or relating to the Work.

Termination. Either Party shall have the right to terminate this Purchase Order in the event that the other Party becomes bankrupt or insolvent or makes an assignment for the benefit of creditors. MGE shall have the right, upon written notice to Contractor, to immediately terminate this Purchase Order in the event Contractor defaults in the performance of its obligations under this Purchase Order. In addition to all other rights which MGE may have to terminate this Purchase Order, MGE shall have the further right, without assigning any reason therefor, to terminate the Work hereunder, in whole or in part, at any time. MGE will not be liable to Contractor for any costs for completed articles, articles in process, or materials acquired or contracted for if such costs were incurred more than thirty (30) days prior to the delivery date as stated on the face of this Purchase Order. If MGE terminates this Purchase Order and if MGE and Contractor cannot agree within a reasonable time upon the amount of fair compensation to Contractor for such termination, (a) MGE will pay the contract price for all the Work completed in accordance with this Purchase Order and not previously paid for; (b) MGE will pay a fair and reasonable portion of the contract price for articles in process; and (c) MGE will pay a fair and reasonable portion of Contractor's costs for all materials acquired or contracted for by Contractor for the specific purpose of providing the Work to MGE that Contractor is unable to cancel or return or use to satisfy other contracts. The amount of these termination charges shall be subject to MGE's audit and approval.

Warranty. Contractor warrants to MGE that all Work furnished hereunder shall (a) be free from all latent and patent defects in materials and workmanship; (b) be of good and merchantable quality fit and suitable for its intended purpose; (c) achieve all performance requirements specified herein; (d) include only materials furnished or purchased by Contractor or its suppliers which are new, unused, and undamaged, unless otherwise expressly authorized by MGE in writing; (e) be in full conformance with all the requirements of this Purchase Order; (f) be in compliance with all applicable laws; (g) be in compliance with all manufacturer's requirements; and (h) not be subject to any encumbrance, lien, security interest, or other defect in title. Contractor warrants to MGE that for any elements of the Work for which this Purchase Order does not establish express standards of quality and fitness, such work shall be provided in accordance with good industry practices and standards for the specific application. Any goods, materials, parts, equipment, and services furnished by Contractor as part of the Work, but performed, designed, or manufactured by its subcontractors, shall be covered by and subject to all warranties set forth in this Purchase Order. MGE shall have the right to all manufacturers' warranties in the event any portion of the Work is not directly manufactured by Contractor or its subcontractors.

Contractor shall, promptly and at its own expense, FOB MGE, without cost to MGE either repair, replace, or reperform any defective or nonconforming part of the Work that is observed by MGE at any time during the performance of the Work and within twelve (12) months of acceptance of the Work. Any remedy and/or replacement of nonconforming work or a portion thereof shall be warranted for twelve (12) months from such repair, reperformance, or replacement of defective or nonconforming work. Contractor shall additionally pay for any damage or disturbance caused by making the necessary remedy and/or replacement of any defective or nonconforming part of the Work. If Contractor does not remedy, reperform, or replace any such defective or nonconforming work within a reasonable time period after receiving written notice from MGE, MGE, or a third party chosen by MGE, may remedy, reperform, or replace the defective or nonconforming work at Contractor's expense. This warranty does not preclude claims by MGE beyond the twelve- (12) month warranty period for negligence or intentional acts by Contractor arising out of or related to the Work.

Indemnity. Contractor shall indemnify and hold harmless MGE and its officers, insurers, directors, agents, and employees thereof (collectively, the "Indemnified Parties" and individually, an "Indemnified Party") from and against all losses, claims, damages, expenses, costs, and attorneys' fees because of any injury or damage to person, life, or property or injury resulting in the death of any person or persons, including the Contractor or his/her employees, agents, or supervisors, arising out of or in connection with the performance of this Purchase Order or progress of the Work to be done hereunder, including those alleged to be caused by or the result of the negligence of one or more Indemnified Parties. In the event one or more of the Indemnified Parties is made a party to any suit or litigation (whether or not the Indemnified Parties are the only parties alleged to be negligent) because of injury or damage or alleged injury or damage to person, life, or property or injury or alleged injury resulting in the death of any person or persons arising out of or in connection with the performance of this Purchase Order or progress of the Work to be done hereunder, Contractor shall defend such action on behalf of the Indemnified Party or Parties by counsel chosen by the applicable Indemnified Party or Parties being defended and shall pay all damages, costs, expenses, and reasonable attorneys' fees incurred in connection with such defense. If judgment shall be obtained or claim allowed in any of such proceedings against any of the Indemnified Parties or a settlement is reached, Contractor shall pay and satisfy

such judgment, claim, or settlement, except the portion thereof that shall be determined or mutually agreed to be caused solely by the negligence of one or more of the Indemnified Parties. In the event it is determined after final disposition of any action arising as a result of any acts indemnified that the acts complained of were the result of the sole negligence on the part of MGE or its officers, agents, employees, or board of directors, MGE shall still, in that event, be entitled to indemnify from Contractor for the cost of defense, including reasonable attorneys' fees.

Safety and Indemnity for Safety Violations. Contractor acknowledges that MGE is engaged in the business of generating and transmitting electric current and distributing natural gas, and Contractor will warn its employees against the hazards incident to such business operations. Neither Contractor nor any of its employees will enter any part of MGE's premises without MGE's consent or touch, move, manipulate, or tamper with any wires, gas pipes, fixtures, machines, appliances, or equipment of MGE's without express written permission from MGE or its authorized representative. MGE shall have the right to designate, from time to time, the location and the path of entrance and exit over MGE's premises which shall be used by Contractor and Contractor's subcontractors and suppliers. Contractor is solely responsible for establishing and administering a safety program relating to the Work to meet OSHA, federal, state, or other safety requirements including MGE's specified safety policies and procedures, and Contractor is responsible for the safety of its employees and equipment. Contractor will pay any citation issued for Contractor's noncompliance with the safety program and applicable safety requirements. Contractor shall indemnify, defend, and hold MGE and its employees, officers, directors, agents, and representatives harmless from any damage, penalty, fee (including attorney's fees) or claim of whatever nature arising from Contractor's safety violations, citations, and noncompliance with OSHA, federal, state, and local safety requirements and/or the safety plan.

Insurance. Contractor shall carry and maintain at its sole cost and expense and cause its subcontractors to carry and maintain, in connection with the Work, insurance policies with the following coverage and minimum limits: (a) workers' compensation insurance written in accordance with statutory limits and employer's liability in an amount not less than \$1 million per accident covering all of Contractor's employees and any subcontractor's employees engaged in work on the project of which workers' compensation policy shall waive subrogation against MGE; (b) commercial general liability insurance and property damage insurance, including products liability and completed operations coverages and independent contractor coverage, with a per-occurrence limit of not less than \$5 million, a general aggregate limit of not less than \$10 million, and a products-completed operations aggregate limit of not less than \$5 million; (c) property insurance, in an amount not less than the replacement value of the Work, during the process of fabrication and while in transit to MGE to insure against fire, physical loss, and damage, including theft, vandalism and malicious mischief, collapse, water damage, and other perils; (d) business automobile insurance insuring all owned, nonowned, and hired vehicles with per-person and per-accident limits of not less than \$3 million and \$5 million; and (e) professional liability or errors and omissions insurance with minimum limits of not less than \$5 million per wrongful act and \$5 million aggregate. Contractor's commercial general liability policy(ies) shall contain contractual liability coverage covering all liabilities assumed or created by virtue of this Purchase Order and specifically naming MGE as being covered by the contractual liability coverage. Contractor's commercial general liability and automobile liability policies shall specifically name MGE as an additional insured as evidenced by an additional-insured endorsement acceptable to MGE. In addition, all insurance maintained by Contractor, including any excess or umbrella policy(ies), shall be primary with respect to the interest of MGE. Each policy of insurance shall provide that it will not be canceled by the insurance company or Contractor except upon thirty (30) days' written notice to MGE. Contractor agrees that any dispute that arises between Contractor and the insuring agent or insurance company regarding coverage relating to Work shall be a dispute solely between Contractor and the insuring agent or insurance company and should be resolved by Contractor and the insuring agent or insurance company. Contractor agrees that any dispute and associated costs, including attorneys' fees, regarding insurance coverage pursuant to the terms of this Purchase Order will be the sole responsibility of Contractor. Any damage to property, personal injury, or other injury or damage for which Contractor is responsible to indemnify MGE shall not be affected by the coverage or lack of coverage by any insurance obtained or maintained by Contractor.

Weapons. Regardless of whether Contractor, subcontractor, or any of their employees possesses a concealed weapon permit or is allowed by law to possess a weapon, Contractor, subcontractor and their employees are prohibited from carrying weapons on any MGE property or at any time they are representing MGE for business purposes. For purposes of this provision, weapon is as defined in Wis. Stat. §175.60. If Contractor, a subcontractor or their employees violate this provision as determined solely by MGE, this Purchase Order may be terminated immediately without cost or penalty to MGE.

Environmental Compliance. Contractor represents and warrants that it will comply with all federal, state, and local environmental laws, statutes, regulations, and ordinances; secure all necessary permits; and act as a generator and disposer of all waste that Contractor generates as part of Contractor's performance of the Work. Contractor will remove all waste material generated by Contractor and all surplus material regulated under any federal, state, or local environmental law upon completion of the Work. In the event that Contractor or any of its employees, agents, or subcontractors cause any spills or releases of any hazardous materials that require reporting to local, state, and/or federal agencies or remediation under any local, state, or federal law, Contractor shall, at Contractor's sole expense, be responsible for pursuing timely and adequate compliance with repair or remediation requirements and shall immediately provide MGE with details relating to the status and compliance efforts associated with the spill or release and will coordinate all compliance activities with MGE.

Confidentiality and Trade Secrets. As used in this Purchase Order, the term "Confidential Information" shall mean and include correspondence, memoranda, data, reports, forecasts, projections, customer information, employee information, business requirements or plans, and any other documents or materials containing proprietary information including MGE or power-plant specific information concerning or relating to generation maintenance planning;

any other material which has been identified in writing as being Confidential Information or otherwise subject to being treated as Confidential Information pursuant to this Purchase Order; and any discussions or negotiations which incorporate, include, or refer to Confidential Information described in this paragraph. At MGE's request, Contractor shall return or certify destruction of Confidential Information within fifteen (15) days of the request. Contractor may not publish, release, disclose, or disseminate to anyone other than MGE employees the Confidential Information or the results of any work performed or any information obtained from work performed under this Purchase Order. Materials which are reviewed by Contractor in the course of this Purchase Order may contain trade secrets which are the property of MGE or which have been purchased or leased for use by MGE. Contractor may not reveal any trade secrets to any person in any form and may not use any such trade secrets itself for any purpose. All Confidential Information in whatever form provided shall remain the property of MGE. Contractor agrees to take all necessary and appropriate actions to protect and maintain the confidentiality of the Confidential Information. Contractor understands and agrees that the terms and subject matter of this Purchase Order shall itself be kept strictly confidential and shall not be disclosed to any other individual or organization unless there is a breach of this Purchase Order by MGE, in which event, the Purchase Order may be disclosed solely for purposes of enforcement. Contractor agrees not to use MGE's name, logo, or trademark or refer to MGE in any advertising; promotion; announcement; marketing literature; or other type of publication, marketing effort, or advertisement, whether written or oral, without the prior written approval of MGE. The terms regarding disclosure of Confidential Information shall specifically survive the termination or expiration of this Purchase Order between the parties.

Patent Guarantees. Contractor warrants the Work will not infringe or contribute to the infringements of any patents, trademarks, copyrights or other intellectual property rights, either in the USA or foreign countries, and Contractor agrees to indemnify, defend, and hold MGE harmless from and against any and all claims, liabilities, cause, damages, or expenses, including attorneys' fees of any kind involving any actual or alleged infringements excluding, however, any infringements solely related to concepts, designs, or ideas furnished in writing by MGE which, as between MGE and Contractor, originated with MGE.

Delays. MGE shall in no event be liable to Contractor for delays of any kind whatsoever, and Contractor shall be fully responsible for making up time lost by all delays, except to the extent that extensions of time are granted pursuant to this Purchase Order. In the event that Contractor is prevented by an event of force majeure to perform the Work, Contractor may be given an extension of time to perform the portion of the Work affected by the force majeure event. Contractor shall give MGE written notice of the force majeure event within seven (7) calendar days of the commencement of such event. Contractor's failure to give such notice shall constitute a waiver of Contractor's claim for an extension of time. There shall be no automatic increase in the price by virtue of any force majeure event. The term "force majeure" means an unavoidable event beyond the control of Contractor that affects the ability of Contractor to perform the Work and may include fires, floods, labor disputes (other than a localized strike against Contractor or any of its subcontractors), epidemics, abnormal weather conditions, or acts of God. Force majeure shall not include (a) breach of contract by Contractor's subcontractors; (b) changes in market conditions; (c) an increase in the cost of raw materials, components, or supplies; or (d) Contractor's lack of funds to pay its obligations.

Authority of MGE. To prevent all disputes and litigation, MGE shall, in all cases, determine the amount and quality of the Work and shall determine all questions in relation to the Work and the construction thereof and shall, in all cases, decide every question which may arise under this Purchase Order. MGE's determinations and decisions shall be final, conclusive, and binding upon Contractor. Contractor's compliance with MGE's determinations and decisions, in case any question shall arise, shall be a condition precedent to the right of Contractor to receive any money under this Purchase Order. MGE shall be the sole judge as to the fitness of materials and shall have the right to correct any errors or omissions in the specifications and drawings when such corrections are necessary for the proper performance of the Work. Such correction shall not increase the price. This section shall not be interpreted as imposing any fiduciary responsibility on MGE.

Equal Employment Opportunities. In the event this Purchase Order covers a purchase or service which is subject to the provisions of Presidential Executive Order No. 11246, Section 503, of the Rehabilitation Act of 1973 and 38 U.S.C. 4212, a certificate of compliance must be executed by Contractor and returned to MGE with Contractor's invoice. Failure of MGE to obtain a certificate of compliance does not relieve Contractor from satisfying this provision.

Occupational Health and Safety Regulations. Contractor agrees that the Work under this Purchase Order will comply with all applicable regulations under the Occupational Health and Safety Act.

Interpretation, Governing Law. This Purchase Order shall be governed by the laws of the State of Wisconsin without regard to the choice of law principles. Any disputes alleged under the terms and conditions of this Purchase Order will be venued in Dane County Circuit Court in Madison, Wisconsin, or the Western District of Wisconsin Federal Courts. If any provision of this Purchase Order is held unenforceable or invalid, the remainder of these provisions shall be given effect to the maximum extent possible. The parties agree to negotiate to replace any such invalid or unenforceable provision with a provision that comes as close as possible to the intention of the invalid or unenforceable provision.

Dodd Frank Wall Street Reform and Consumer Protection Act Reporting Requirements. If this transaction is subject to reporting requirements under the Dodd Frank Wall Street Reform and Consumer Protection Act (Dodd Frank), the Contractor is responsible to notify MGE of MGE's Dodd Frank reporting requirements. Further, the Contractor is responsible for all reportable swap transactions required pursuant to Part 43 and Part 45 of the Commission's Regulations (17 CFR Part 45). MGE agrees it will provide the Contractor all necessary information reasonably requested by the Contractor for its compliance with Dodd Frank.