# **APPENDIX M**

# SJVRWRF ABB Scope of Supply

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#### **BUYERS INFORMATION:**

Quote Requested by	
Company	Electrical Contractor T B D
Address	
Phone	
Email	
Service Contact	
Phone	
SAP ACCT#	
DUNS#	

NOTICE: This quotation is void unless accepted within 30 days from date hereof and is subject to change upon notice. However, if ABB elects to perform the services covered by the quotation, in response to an order placed 30 or more days after the date of the quotation, the terms of the quotation will apply.

QUOTATION NO.	PQ-438230-R1
DATE	01/18/2019

# SUBMIT PURCHASE ORDER TO: GE ZENITH CONTROLS. INC.:

52 22MM COMMO25, MC.:		
Contact	Tim McLellan	
Address	601 Shiloh Road	
	Plano, TX 75074	
	USA	
Phone	773-383-9464	
Email	tim.mclellan@us.abb.com	

## REMIT PAYMENT TO: GE ZENITH CONTROLS, INC.

PO Box 402497 Atlanta, GA 30384 Tax ID: 36-4335357

#### **Work Services Description**

GE Zenith Controls, Inc. (a wholly owned subsidiary of ABB Electrification Products Industrial Solutions) is pleased to offer this proposal for the expansions and modified controls associated with the medium voltage 'MS' Main/Generator Paralleling Switchgear and Control Systems presently in service at the location below:

Eastern Municipal Water District
San Jacinto WRF-Plant 2
Blower Electrification Project
770 North Sanderson Avenue
San Jacinto, CA 92582

(Project #Y1372)

## New Material:

- a. Low voltage 'GEN-2' Control Switchgear (Section #204), NEMA-1 enclosure approximately 90"H x 36"W x 30"D consisting of the following major equipment:
  - LED light panel for annunciations and alarms, quantity 2
  - Voltmeter with selector switch
  - Frequency meter
  - Wattmeter
  - Ammeter with selector switch
  - Emergency stop push-button with cover
  - Set of indicating lights, LED-type

Circuit breaker open (g)

Circuit breaker closed (r)

Circuit breaker drawn out (a)

Circuit breaker locked out (w)

- Operator Interface Panel (6", TFT type) with screens mimicked from GEN-1 for functionality and control
- Digital power meter, PQM II Series
- Generator control PLC System (RX3i Series) with inputs, outputs, analog, communications and power supply
- Engine control switch, 4-position
- Synchronizing switch (no handle)
- Light test pushbutton
- System alarm and reset pushbuttons
- Manual soft unload initiation pushbutton
- Generator digital controller with door interface, Woodward easYgen Series 3500
- Generator control potentiometers for speed and voltage adjustments
- Control relays, wiring, control wire chases, covers, terminal blocks, wiring labels, etc.
- b. Added system controls, wiring and HMI panel programming changes to accommodate the additional 'GEN-2" engine-generator and controls.
- c. New engine-generator controller for the existing 'GEN-1' Controls (Section #203); easYgen 3500 Series with added door-interface panel.



- d. Medium voltage 'MS' Breaker Switchgear (Section #116A) upper door assembly arranged and pre-wired with the following major equipment:
  - Digital protective relay, GE Grid Solution SR889 Series, quantity 1
  - Set of indicating lights, LED-type; quantity 1 each

Circuit breaker open (q)

Circuit breaker closed (r)

Circuit breaker drawn out (a)

Circuit breaker locked out (w)

- Breaker lockout relay and reset, quantity 1
- Relay test blocks, quantity 2
- Control relays, wiring, control wire chases, covers, terminal blocks, wiring labels, etc.
- e. Medium voltage 'MS' Breaker Switchgear (Section #116B) medium voltage breaker arranged with the following:
  - Power/Vac drawout vacuum circuit breaker, 1200A, 13.8kV equipped with:

125vDC close and trip control

58KA closing and latching RMS current

5 cycle

750mva

6-stage MOC auxiliary contacts

6-stage TOC auxiliary contacts

Provisions for electrical/remote racking device (not included)

- Mimic bus pieces (as needed)
- f. Upon completion of the system startup and commissioning, furnish four (4) sets of drawing and documentation updates for the existing Operation & Maintenance Manuals.
- g. A standard warranty on all new workmanship and new material supplied as part of this expansion work scope. All warranty terms are in accordance with the GE terms and conditions and shall be applicable for twelve (12) months from the completion of the startup, commissioning and training or eight (18) months from the date of the equipment shipment.

#### Services:

- a. Furnish a detailed Method of Procedure (MOP) document two (2) weeks prior to the start of the scheduled services.
- b. Complete the field modifications and system upgrades to the 'MS' Main/Generator Paralleling Switchgear System which will include the new hardware and programs. Work will include the integration of the new 'GEN-2' Control equipment.
- c. System startup and commissioning of the new 'GEN-2' Generator Control with the new engine-generator. Commissioning efforts will ensure proper startup, control alarming, synchronizing and load control of the new engine-generator with the existing systems.
- d. Arrange the existing Master Control to accommodate the changed input and load controls associated with the new engine-generator. Modify the existing HMI Panel screens and functionality as needed to accommodate the added engine-generator.
- e. Modify the existing 'GEN-1' Generator Controls synchronizing system to accommodate the Woodward easYgen controller module; matched to the new section. Modifications will include the new module along with added wiring changes and the addition of a door-mounted interface panel.
- f. Operational testing will be provided to validate system upgrades, modifications and other system changes exceed the Owner's expectations. Operational and integrated system testing will occur on consecutive service dates. Any failed tests will be repeated at no additional costs if the failure is determined to be related to the ABB upgrade work.
- g. Field services and site labor to arrange and configure the medium voltage breaker controls and protective relaying for the new #52-MS-G2 breaker (section #116).
- h. Arrange the added wiring and controls associated with the added breaker, controls, communications and relaying.
- i. Field services report upon completion of the startup and commissioning.
- j. Training summary report with attendee signatures upon completion.

#### Major Equipment Impacted:

- a. 'MS' Main/Generator Paralleling Switchgear and Control Systems consisting of:
  - Section #202 Low voltage Master Control with primary PLC system, controls, interfacing relays, etc.
  - Section #203 Low voltage 'GEN-1' Generator Control synchronizing system and controls.
  - Section #204 (new) Low voltage 'GEN-2' Generator Control with PLC, digital controls, alarming, etc.
  - Section #116A (new) 'MS' Switchgear upper door assembly with metering, controls, etc.
  - Section #116B Medium voltage breaker for Cell #52-MS-G2.



#### Exceptions, Notes & Comments:

- a. Proposal is based on the preliminary version of the 16346 Specifications and the arrangement of the existing switchgear system. No final or formal specifications and/or drawings were supplied as part of this proposal request.
- b. Upon completion of the system modifications and commissioning, the ABB field service engineer will need to complete testing and validation of the complete system. This work is required and included based on normal weekday periods. If after hours or premium time testing periods are required, additional charges will apply.
- c. Any services that are canceled within twenty-four (24) hours from a scheduled date will be subject to a cancelation charge of \$2,500.00.
- d. This proposal includes the modifications and controls upgrades associated with the existing 'GEN-1' synchronizing controls. The existing Woodward DSLC controller module is no longer supported and will require a replacement to the matched Woodward easYgen synchronizing controls being supplied with the new 'GEN-2' Generator Control. All controls and wiring will be limited to the internal Control Section and the 'GEN-1' door assembly. A new easYgen interface panel will be supplied, mounted and wired to permit duplicate controls and functionality as the new 'GEN-2' Generator Control section.
- e. This proposal does not include the upgrade of the existing 'GEN-1' engine-generator-mounted governor, controls and synchronizing system.
- f. During the period of the system and controls upgrades, the existing 'MS' Switchgear and Control Systems will be placed in manual mode. These operations may require that various systems be cycled or transferred which may impact facility operations. The ABB field service representatives will work to keep this period as short as possible however the Buyer and Owner will need to make the necessary preparations while the system is in manual mode.
- g. As the system components are replaced and upgraded through the term of the service schedule, different devices, components and communications systems will not be available or data monitoring or retrieval. All items and devices will be arranged for communication and addressing upon the completion of the system upgrades.
- h. The system is based on the new 'GEN-2' unit being of the same manufacture, configuration, parameters and control arrangement of the existing 'GEN-1' engine-generator. Any changes to the controls or wiring due to a different type or configuration will be billable and treated as a separate change order quotation.
- i. Our interpretation is that these items are not required to be included as a part of this proposal and/or others will furnish these items:
  - Third party independent testing agency
  - Short circuit analysis and coordination studies
  - Breaker protective relay settings
  - Engine starting batteries and associated equipment
  - Boot covers for lugs on medium voltage equipment
  - Videotaping of training session (ABB does not allow videotaping of field instruction or training sessions)
  - Rental of load bank and/or connection of load bank to switchgear
  - Field hi-pot testing (insulation resistance test) of main bus and breakers
- j. Proposal is valid until February 14, 2019.
- k. System testing and commissioning is limited to the sequences for the 'GEN-2' engine-generator, controls and paralleling operations only. This proposal does not include full sequence testing and recommissioning of the existing system(s) not impacted by the added engine-generator.
- I. Final systems testing is limited to a period of three (3) days week with up to two (2) ABB-GE Zenith technicians. All services are to occur on consecutive weekdays only and exclude work on holidays or weekends. Any premium or overtime required to support a compressed or different schedule will be billed in accordance with the Labor Rates listed in Attachment "A".
- m. Operational and paralleling load sequence testing will require the use of the facility building loads. This testing may impact the facility loads and will need to be coordinated with the Buyer and contractor(s) in addition to the facility manager.

## Schedule:

- a. Estimated delivery for new components and equipment is approximately eighteen to twenty-two (18-22) weeks after receipt and acknowledgement of a released to fabricate purchase order. Please note the final and actual lead-time will be based on factory loading and/or supplier information at the time of the project release.
- b. If required, submittal or approval drawings will be approximately four to five (4-5) weeks after the completion of the site inspection and review services. This service trip will be scheduled to be completed within twenty-one (21) business days after the receipt and acknowledgement of a purchase order.
- c. Startup and commissioning services in the field will be based on a mutually agreed schedule between ABB and the Buyer at prior to the shipment of any deliverables (IE: equipment, documents, programs, etc.).



d. An advance notice of ten (10) business days will be required for ABB-GE Zenith Controls, Inc. to notify the Buyer of the first available date for the field service representative site arrival. This is only the notification of the site schedule and should not be defined as the date of the field service representative arrival.

#### Price, Terms and Conditions

ABB-GE Zenith Controls, Inc. will accomplish the above-described work scope for the firm fixed price of \$295,895.00.

- a. Invoices to be issued as follows:
  - \$31,160.00 upon receipt and acceptance of a written release to proceed after approval.
  - \$6,100.00 upon completion of the field inspection and review services.
  - \$186,425.00 upon shipment of all associated material and equipment.
  - \$72,210.00 upon completion of the field startup, modifications and commissioning services.
- b. Payment Terms: Net 30 days from the date of invoice unless negotiated account payment terms are already in place.
- c. Pricing does not include any applicable taxes, permits and licensing fees

The sale of any service and products, and the integration thereof, ordered by the Buyer is expressly conditioned upon the terms and conditions contained in this quotation and Terms and Conditions for Sale of Products and Services Form ES 104 (Rev 4) ("Terms and Conditions") as attached hereto. Any additional or different terms and conditions proposed by the Buyer at any time are expressly objected to and will not be binding upon ABB unless specifically agreed to in writing by ABB's authorized representative. Any order for, or any statement of intent to purchase hereunder, or any direction to perform work and ABB's performance of work shall constitute assent to the Terms and Conditions. Oral agreements and/or commitments to perform services are not enforceable.

#### **Additional Services**

Should the Buyer desire to have ABB perform additional services beyond the scope of services described in this proposal, a change order request will be submitted for the additional associated costs. No additional services shall proceed without written authorization from the Buyer. Additional services will be performed per our published rates for Service, applicable at the time that worked is performed, including work that extends through the weekend / holiday. The current rates for Service can be found in Attachment "A".

## **Buyer's Responsibilities**

The Buyer's responsibilities shall include, but are not limited to, the following:

- Issue switching orders, schedule outages, and de-energize the electrical apparatus, including Lock-Out Tag-Out (LOTO) of all systems associated with ABB's work scope involved in the project. LOTO procedures shall meet or exceed Contractor or ABB's requirements, whichever are more stringent.
- Prior to the start of the on-site work, Buyer shall familiarize ABB personnel with their safety practices, regulations in effect at jobsite, and any chemical and physical hazards, including process safety issues associated with the work environment. ABB shall be under no obligation to commence work unless safety practices are acceptable to ABB. As a safety precaution, prior to the commencement of work, access to a nearby telephone with the ability to call outside the facility will be provided by Buyer, as well as telephone numbers for local emergency services.
- Buyer will dispose of all wastes generated at the work site. Buyer will be responsible for environmental conditions and will keep the equipment free of contaminants that would be detrimental to the performance of the equipment.
- Buyer shall be responsible for the removal and replacement of any obstructions that may interfere with access to or removal of the existing equipment
- Buyer will provide an experienced electrician or electrical supervisor familiar with the power distribution system and trained in electrical safety and emergency response procedures including CPR, AED, and first aid for purposes of:
  - -Directing ABB personnel in identifying and isolating the proper electrical equipment.
  - -Shutting down electrical equipment in an emergency and providing emergency response during high risk operations including electrical work when a single ABB representative is dispatched. This person must be visually present during all electrical work and high-risk operations. If not present then ABB will stop work and notify the Buyer.
  - -Complying with OSHA 1910.269(l)(1) and 1910.269(b)
- Buyer will provide all "special" maintenance tools including; closing handles, test couplers, closing jacks, lifting devices, breaker cars/lift trucks, etc., furnished or defined by the original equipment manufacturer(s).
- Buyer shall provide one (1) copy of existing system schematics, drawings and other information regarding the equipment/site that is needed, and be responsible for the accuracy of same and verbal information concerning existing conditions and wiring.



- All communication between, including meetings, all documents, notes on drawings, and submissions required under contract, shall be in the English language. Any language translation, of required, will be the responsibility of the Buver.
- Buyer must supply minimum power supply of 120V, 1-Phase, power source, if necessary.
- Buyer will provide/operate/maintain services for drinking water, sanitary facilities, parking, trash containers, and lighting.
- Buyer to provide craft labor with tools and equipment to assist field engineer working on site, if necessary.
- Buyer to supply, operate, and maintain all standard services to the site facility, such as electric power, lighting, water, air, etc., if required. Backup for these systems is not included in this proposal. These services are to be made available to ABB, including a suitable source of 60Hz 120/240 volts AC, unless otherwise provided herein.
- Buyer to provide, and be responsible for, applicable codes, standard, laws, regulatory requirements, etc. required for the development of functional specification and system design and operation.
- Buyer shall be responsible for the review of the installation to assure compliance with applicable codes. It is the intention of ABB to comply with the applicable codes, standards, laws, regulatory requirements, etc.; however, by law it is the responsibility of the Buyer for compliance of the total installation. ABB would be pleased to quote any additional features or equipment that the Buyer deems necessary to meet these requirements.

#### **Assumptions and Clarifications**

- Any items or services not specifically outlined herein are not included.
- ABB assumes and is relying on the fact that any information furnished by Buyer is accurate and complete. To the extent that ABB obtains actual knowledge of any conditions with the equipment and/or the conditions at site are in addition to and/or different from those indicated in the Buyer's furnished documentation / information and/or there is a previously unknown physical condition that is found with the equipment and/or at the site, ABB shall notify the Buyer. If such condition(s) exist and this causes an increase in ABB's cost of and/or the time required for the performance of any part of the work under a contract, an equitable adjustment may be made, including without limitation, to the price and/or schedule.
- With the exception of delays beyond the control of ABB, no additional work scope shall proceed without the written authorization of the Buyer.
- Should any unforeseen work delays beyond the control of ABB occur, including those as a result of malfunctions or deficiencies encountered with the equipment (unless caused by ABB) or should the Buyer desire to have ABB perform work beyond the scope of work described in this proposal, that work will be billed at the published rates in effect at the time of performance of that the work scope and will apply to all ABB project management, field engineers, field engineering service technicians and/or craftsmen.
- ABB expressly objects to any requirements, methods or conditions contained in any Buyer request that are not specifically addressed in this document, and such requirements, methods and conditions, if any, are outside the scope of this proposal.
- Schedule: Unless otherwise stated in the scope, all work will be performed on a straight time basis. All work is to be performed on a mutually agreeable schedule. The foregoing work as described under work scope shall be performed during normal working hours Monday through Friday, Holidays excepted. If work is performed on an overtime basis, the premium for the time spent and other applicable cost will be billed in addition to the price quoted and will be billed at our published rates in effect at the time work is performed. Time and expense of ABB employees' travel from their headquarters to work site and return, shall be considered as time worked. ABB typically requires a minimum two (2) weeks advance notice to ensure availability of resources.
- The services shall be considered "Substantially Complete" when the services to be performed by ABB or the designated portion thereof, are sufficiently complete in accordance with the contract documents, so that the Buyer can occupy or use the services or portion thereof for its/their intended use. For products only order, "substantially complete" shall mean the date of shipment of the products. A "Punchlist" is to be developed upon "Substantial Completion," and ABB's standard warranty shall provide coverage (when applicable) for issues that occur after "Substantial Completion. "Final Project Completion" shall be reached when all contractual responsibilities have been met and the final bill issued.



## ${\sf GE\ ZENITH\ CONTROLS, INC.}$

(a wholly owned subsidiary of ABB-EPIS)

By:	Tim McLellan		
Title:	Switchgear Technical Proposal Manager		
Email:	tim.mclellan@us.abb.com		
Phone:	773-383-9464		

## BUYER:

Company:	tbd		
Ву:			
Title:			
Email:		Date:	

This proposal and specification are submitted in confidence solely for use in consideration of the merits of the offering and for no other direct or indirect use by Buyer and its contents are proprietary to ABB. In taking receipt of this document, Buyer agrees not to reveal its contents except to those in its own organization who must evaluate it, to use this document and the information that it contains exclusively for the above-stated purpose and to avoid disclosure of the information to competitor of ABB.



## Commercial Rates - Effective: July, 2018

#### 8-Hour Daily Rates U.S. Dollar

Service Description Field Services	Weekday	Saturday	Sunday / Holiday
Field Engineer	\$2,155	\$3,118	\$4,074
Specialized Field Engineer	\$2,619	\$3,815	\$4,998

#### Service Center

Service Technician	\$1,691	\$2,442	\$3,146
Service Tech Work Leader	\$1,771	\$2,542	\$3,306
Service Center Specialist	\$2.147	\$3,106	\$4.058

Phone Support	\$1,300/case	
Critical Power Emergency Standby Retainer	\$2,200/month	

## **Tooling Rates**

IR Camera	\$75/day, \$300/week
Vibration Test Set	\$125/day, \$500/week
Online Motor Test Set	\$250/day, \$1,000/week
Offline Motor Test Set	\$250/day, \$1,000/week
Primary Current Injection Set	\$350/day, \$1,400/week
Relay Test Set	\$500/day, \$2,000/week
Power Factor Test Set	\$500/day, \$2,000/week
Vacuum Oil Processor	\$2,500/day

## Field Engineer

Service is technical advice and counsel from field personnel based on sound engineering, manufacturing, installation, and operation practices as applicable to the equipment. Such services may include analysis, adjustment, programming, and other similar services. They do not include supervision or management of purchaser's employees, agents or other contractors and do not include design effort.

## Specialized Field Engineer

These services include installation, commissioning, repair, service, maintenance, and upgrade work associated with:

- Medium voltage motors, & generators
- Paralleling Switchgear
- . Synchronous motors & generators, including excitation
- Medium voltage drives
- Legacy drive products, including: DC/AC2000, DC/DV/AC300, Innovation, Siltron & Valutrol
- . Legacy control systems including: Series 5 & Series 6
- Specialty power system studies, including: Harmonic, Transient Switching & Grounding
- Shipboard and offshore work, with a minimum 14-hour / day billing. Platform work requires a pay differential.

#### Service Center

Service Technician: Craftsmen experienced in the inspection, test, installation, service, and repair of one or more of the following equipment types:

- Transformer (Mechanical, Electrical, Ruid & LTC)
- Motors, Drives & Controls Equipment
- Switchgear
- Mechanical
- · Hydro (Electrical, Mechanical & Controls)

Service Center Work Leader: Provides on-site and in shop, hands on leadership of ABB craftsmen on a per shift basis.

Service Center Specialist: Provides overall coordination and technical leadership on-site and in shop of service craftsmen and Work Leaders. ABBs' field service engineers and consulting experts are on call to provide a wide range of service and repairs on both ABB and non-ABB equipment and engineered systems in Industrial and Balance-Of-Plant Power Plant Systems.

For more information contact your local ABB office or call our 24x7 customer service center at 888-434-7378 or 540-387-8617

Typical Installations, Services, Repairs, and Products:

- Transformer (Including Mechanical, Electrical, Fluid & LTC)
- Power Delivery Equipment
- Motors, Drives and Controls Equipment
- Distributed Control Systems and Programmable Logic Controls
- Instrumentation Related to Process Control and Automation Systems
- Marine Electrical Systems
- Power System Studies

## Rate Terms

L	Work greater than 8 hours per day is billed per hour:	Overtime	Double Time
	Field Engineer	\$359.00	\$478.00
	Specialized Field Engineer	\$446.00	\$594.00
	Service Technician	\$272.00	\$362.00
	Service Tech Work Leader	\$287.00	\$382.00
	Service Center Specialist	\$357.00	\$476.00

For less than 24-hour response, a 1.35 multiplier is used for daily, overtime and double time rates.

Overtime applies to billable weekday hours 9-12. Double Time applies to: Billable weekday hours greater than 12, Saturday hours greater than 8, Sundays and holidays.

- Preparation, travel, and report writing time will be charged at the applicable rate (i.e., daily rates, overtime and double time) on a round trip basis with point of departure based on the location of the ABB Representative's office/service center.
- Additional travel and living expenses include:

Overnight stay	\$160 per day		
Air Travel / Rental Car charges	Cost + 20%		

Notes: Additional T&L charges may apply for high cost of living areas.

- Travel and living expenses outside the continental U.S.A., will be billed at a cost plus 20% minimum, or consult
  with your local ABB representative for a local per diem rate.
- Materials, subcontract labor and equipment required to support ABB will be provided at cost + 35%.
- 6. All equipment is F.O.B. shipping point, seller's dock, with freight prepaid and charged 3% of material price (a minimum per shipment charge of \$100.00 shall apply). Seller reserves the right to select the method of transportation provided for all products unless specified by the client not less than 72 hours prior to shipment. Any premium transportation or required special handling is in addition and shall be for the account of the Buyer.
- Consult with local ABB office to determine applicable charges for other special tooling and/or test equipment
  or any taxes, fees or VAT that may be in addition to the above rates. Minimum daily billing of 8 hours for all
  services provided including standby time. A minimum order of \$500,00 shall apply for a parts/material only
  order.
- All rates are for hours worked, traveled, or on standby and are based on ABB's standard terms and conditions
  of sale (Form ES 104 Rev 4). Price and data subject to change without notice. This quotation is not valid for
  PCB services, off shore or confined locations.
- Phone Support is a service provided on the phone by a Field Engineer for limited hardware and software troubleshooting services.
- Employee screening costs as required by the customer will be provided as follows:

 Custom drug screen or background check
 \$100

 TW/C Card
 \$250

 BOISET + HUET
 \$1,500

Notes: All travel time to complete the screenings will be billed at the applicable hourly rate as set forth in 1 above plus expenses. All other specialty training will be billed at cost + 20%.

- All time to complete site specific training will be billed at the applicable hourly rate as set forth in 1 above plus
  expenses.
- 12. A Critical Power Emergency Standby Retainer provides access to a qualified ABB Field Engineer at the customer site on the same day the need is identified by the customer. All time to support the emergency service, including travel to and from the customer site, will be billed at the applicable hourly rate as set forth in 1 above, however the 1.35 multiplier applied to work with less than 24hrs notice is waived.

<sup>&</sup>quot;\* The Standard and Applicable rates shown on this sheet assume that services are being performed at a location that is not subject to a Location Premium which is an additional charge/rate that may be assessed for remote, inconvenient, confined or offshore work sites. Please contact ASB to see if a Location Premium applies to your

#### Terms and Conditions for Sale of Products and Services

Form ES 104 (Rev. 4)

NOTICE: Sale of any Products or Services is expressly conditioned on Buyer's assent to these Terms and Conditions. Any acceptance of Seller's offer is expressly limited to acceptance of these Terms and Conditions and Seller expressly objects to any additional or different terms proposed by Buyer. No facility entry form shall modify these Terms and Conditions even if signed by Seller's representative. Any order to perform work and Seller's performance of work shall constitute Buyer's assent to these Terms and Conditions. Unless otherwise specified in the quotation, Seller's quotation shall expire 30 days from its date and may be modified or withdrawn by Seller before receipt of Buyer's conforming acceptance.

"Buyer" means the entity to which Seller is providing Products or Services under the Contract.

"Contract" means either the contract agreement signed by both parties, or the purchase order signed by Buyer and accepted by Seller in writing, for the sale of Products or Services, together with these Terms and Conditions, Seller's final quotation, the agreed scope(s) of work, and Seller's order acknowledgement. In the event of any conflict, the Terms and Conditions shall take precedence over other documents included in the Contract.

"Contract Price" means the agreed price stated in the Contract for the sale of Products and Services, including adjustments (if any) in accordance with the Contract.

"Hazardous Materials" means any toxic or hazardous substance, hazardous material, dangerous or hazardous waste, dangerous good, radioactive material, petroleum or petroleum-derived products or by-products, or any other chemical, substance, material or emission, that is regulated, listed or controlled pursuant to any national, state, provincial, or local law, statute, ordinance, directive, regulation or other legal requirement of the United States ("U.S.") or the country of the Site.

"Insolvent/Bankrupt" means that a party is insolvent, makes an assignment for the benefit of its creditors, has a receiver or trustee appointed for it or any of its assets, or files or has filed against it a proceeding under any bankruptcy, insolvency dissolution or liquidation

"Products" means the equipment, parts, materials, supplies, software, and other goods Seller has agreed to supply to Buyer under the Contract.

"Seller" means the entity providing Products or performing Services under the Contract.

"Services" means the services Seller has agreed to perform for Buyer under the Contract.

"Site" means the premises where Products are used or Services are performed, not including Seller's premises from which it performs

"Terms and Conditions" means these "Terms and Conditions for Sale of Products and Services", including any relevant addenda pursuant to Article 18, together with any modifications or additional provisions specifically stated in Seller's final quolation or specifically agreed upon by Seller in writing.

- 2. Payment
  2. Payment
  2. Buyer shall pay Seller for the Products and Services by paying all invoiced amounts in U.S. dollars, without set-off for any payment from Seller not due under this Contract, within thirty (30) days from the invoice date. If the Contract Price is less than U.S. Two Hundred Fifty Thousand Dollars (\$250,000), Seller shall issue invoices upon shipment of Products and as Services are performed. If the Contract Price is U.S. Two Hundred Fifty Thousand Dollars (\$250,000) or more, progress payments shall be invoiced starting with twenty-five percent (25%) of the Contract Price for Products and Services upon the earlier of Contract signature or issuance of Seller's order acknowledgement and continuing such that ninety percent (90%) of the Contract Price for Products is received before the earliest scheduled Product shipment and Services are invoiced as performed ("Progress Payments"). For each calendar month, or fraction thereof, that payment is late, Buyer shall pay a late payment charge computed at the rate of 1.5% per month on the overdue balance or the maximum rate permitted by law, whichever is less.
- 2.2 As and if requested by Seller, Buyer shall at its expense establish and keep in force payment security in the form of an irrevocable, 2.2 As and in requested by Seiler, Buyler shall all is experise estations had keep in rorce payment security in the form or an interocation, unconditional, sight letter of redit or bank guarantee allowing for pro-rata payments as Products are shipped and Services are performed, plus payment of cancellation and termination charges, and all other amounts due from Buyer under the Contract ("Payment Security"). The Payment Security shall be (a) in a form, and issued or confirmed by a bank acceptable to Seller, (b) payable at the counters of such acceptable bank or negotiating bank, (c) opened at least skry (60) days prior to both the earliest scheduled shipment of Products and commencement of Services, and (d) remain in effect until the latest of ninety (90) days after the last scheduled Product shipment, completion of all Services and Seller's receipt of the final payment required under the Contract. Buyer shall, at its expense, increase the amount(s), extend the validity period(s) and make other appropriate modifications to any Payment Security within ten (10) days of Seller's notification that such adjustment is necessary in connection with Buyer's obligations under the Contract.
- 2.3 Seller is not required to commence or continue its performance unless and until any required Payment Security is received, operative and in effect and all applicable Progress Payments have been received. For each day of delay in receiving Progress Payments or acceptable Payment Security, Seller shall be entitled to a matching extension of the schedule. If at any time Seller reasonably determines that Buyer's financial condition or payment history does not justify continuation of Seller's performance, Seller shall be entitled to require full or partial payment in advance or otherwise restructure payments, request additional forms of Payment Security, suspend its performance or terminate the Contract.

#### Taxes and Duties

3. Taxes and Duties
Seller shall be responsible for all corporate taxes measured by net income due to performance of or payment for work under this Contract ('Seller Taxes'). Buyer shall be responsible for all taxes, duties, fees, or other charges of any nature (including, but not limited to, consumption, gross receipts, import, property, sales, stamp, turnover, use, or value-added taxes, and all items of withholding, deficiency, penalty, addition to tax, interest, or assessment related thereto, imposed by any governmental authority on Buyer or Seller its subcontractors) in relation to the Contract or the performance of or payment for work under the Contract other than Seller Taxes ("Buyer Taxes"). The Contract Price does not include the amount of any Buyer Taxes. If Buyer deducts or withholds Buyer Taxes, Buyer shall pay additional amounts so that Seller receives the full Contract Price without reduction for Buyer Taxes. Buyer shall provide to Seller within one month of payment of flicial receipts from the applicable programmental authority for deduction withheld taxes. to Seller, within one month of payment, official receipts from the applicable governmental authority for deducted or withheld taxes

## Deliveries; Title Transfer; Risk of Loss; Storage

- 4. Deliveries; Intel transfer; ixis of Loss; Storage 4.1 For shipments that do not involve export, including shipments from one European Union ('EU') country to another EU country, Seller shall deliver Products to Buyer FCA Seller's facility or warehouse (Incoterms 2010). For export shipments, Seller shall deliver Products to Buyer FCA Port of Export (Incoterms 2010). Buyer shall pay all delivery costs and charges or pay Seller's standard shipping charges plus up to twenty-five (25%) percent. Partial deliveries are permitted. Seller may deliver Products in advance of the delivery schedule. Delivery times are approximate and are dependent upon prompt receipt by Seller of all information necessary to proceed with the work without interruption. If Products delivered do not correspond in quantity, type or price to those itemized in the shipping invoice or documentation, Buyer shall so notify Seller within ten (10) days after receipt.
- 4.2 For shipments that do not involve export, title to Products shall pass to Buyer upon delivery in accordance with Section 4.1. For export shipments from a Seller facility or warehouse outside the U.S., title shall pass to Buyer upon delivery in accordance with Section 4.1. For shipments from a Seller facility or warehouse outside the U.S. title shall pass to Buyer upon delivery in accordance with Section 4.1. For shipments from the export country, title shall pass to Buyer immediately after each item departs from the terrifical land, seas and overlying airspace of the U.S. The 1982 United Nations Convention of the law of the Sea shall apply to determine the lands, seas and overlying an space of time 0.5. The 19-20 linited viations Convention in the law of the Sea shall apply to determine the U.S. terriforal seas. For all other shipments, title to Products shall pass to Buyer the earlier of (i) the port of export immediately after Products have been cleared for export or (ii) immediately after each item departs from the territorial land, seas and overlying airspace of the sending country. When Buyer arranges the export or intercommunity shipment, Buyer will provide Seller evidence of exportation or intercommunity shipment acceptable to the relevant tax and custom authorities. Notwithstanding the foreigning, Seller grants only a license, and does not pass title, for any software provided by Seller under this Contract, and title to any leased equipment remains with Seller.
- 4.3 Risk of loss shall pass to Buyer upon delivery pursuant to Section 4.1, except that for export shipments from the U.S., risk of loss shall transfer to Buyer upon title passage.
- 4.4 If any Products to be delivered under this Contract or if any Buyer equipment repaired at Seller's facilities cannot be shipped to or 4.4 in any Products or to be delivered until or third to the storage state of the storage state of the storage state of the storage facility, including storage at the place of manufacture or repair, or to an agreed freight forwarder. If Seller places Products or equipment into storage, the following apply: (0) title and risk of loss immediately pass to Buyer, if they have not already passed, and delivery shall be deemed to have occurred; (ii) any amounts otherwise payable to Seller upon delivery or shipment shall be due; (iii) all expenses and charges incurred by Seller related to the storage shall be payable by Buyer upon submission of Seller's invoices; and (iv) when conditions permit and upon payment of all amounts due, Seller's hall make Products and repaired equipment available to Buyer for delivery.
- 4.5 If repair Services are to be performed on Buyer's equipment at Seller's facility, Buyer shall be responsible for, and shall retain risk of loss of, such equipment at all times, except that Seller shall be responsible for damage to the equipment while at Seller's facility to the extent such damage is caused by Seller's negligence.

#### 5. Warranty

- 5.1 Seller warrants that Products shall be delivered free from defects in material, workmanship and title and that Services shall be performed in a competent, diligent manner in accordance with any mutually agreed specifications.
- 5.2 The warranty for Products shall expire one (1) year from first use or eighteen (18) months from delivery, whichever occurs first, except that software is warranted for ninety (90) days from delivery. The warranty for Services shall expire one (1) year after performance of the Service, except that software-related Services are warranted for ninety (90) days.
- 5.3 If Products or Services do not meet the above warranties, Buyer shall promptly notify Seller in writing prior to expiration of the warranty period. Seller shall (i) at its option, repair or replace defective Products and (ii) re-perform defective Services. If despite Seller's reasonable efforts, a non-conforming Product cannot be repaired or replaced, or non-conforming Services cannot be re-performed, Seller shall refund or credit monies paid by Buyer for such non-conforming Products and Services. Warranty repair, replacement or re-performance by Seller shall not extend or renew the applicable warranty period. Buyer shall obtain Seller's agreement on the specifications of any tests it plans to conduct to determine whether a non-conformance exists.
- 5.4 Buyer shall bear the costs of access for Seller's remedial warranty efforts (including removal and replacement of systems, structures or other parts of Buyer's facility), de-installation, decontamination, re-installation and transportation of defective Products to Seller and back to Buyer.
- 5.5 The warranties and remedies are conditioned upon (a) proper storage, installation, use, operation, and maintenance of Products, (b) Buyer keeping accurate and complete records of operation and maintenance during the warranty period and providing Seller access to those records, and (c) modification or repair of Products or Services only as authorized by Seller in writing. Failure to meet any such conditions renders the warranty null and void. Seller is not responsible for normal wear and tear.
- 5.6 This Article 5 provides the exclusive remedies for all claims based on failure of or defect in Products or Services, regardless of when the failure or defect arises, and whether a claim, however described, is based on contract, warranty, indemnity, tort/extra-contractual liability (including negligence), strict liability or otherwise. The warranties provided in this Article 5 are exclusive and are in lieu of all other warranties, conditions and guarantees whether written, oral, implied or statutory. NO IMPLIED OR STATUTORY WARRANTY, OR WARRANTY OR CONDITION OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE APPLIES.

#### Confidentiality

- 6. Confidentiality
  6.1 Seller and Buyer (as to information disclosed, the "Disclosing Party") may each provide the other party (as to information received, the "Receiving Party") with Confidential Information in connection with this Contract. "Confidential Information" means (a) information that is designated in writing as "confidential" or "proprietary" by Disclosing Party at the time of written disclosure, and (b) information that is orally designated as "confidential" or "proprietary" by Disclosing Party at the time of oral or visual disclosure and is confirmed to be "confidential" or "proprietary" in writing within twenty (20) days after the oral or visual disclosure. In addition, prices for Products and Services shall be considered Seller's Confidential Information.
- 6.2. Receiving Party agrees: (i) to use the Confidential Information only in connection with the Contract and use of Products and Services, (ii) to take reasonable measures to prevent disclosure of the Confidential Information to third parties, and (iii) not to disclose the Confidential Information to a competitor of Disclosing Party. Notwithstanding these restrictions, (a) Seller may disclose Confidential Information to its affiliates and subcontractors in connection with performance of the Contract, (b) a Receipt Party may disclose Confidential Information to its affiliates and subcontractors in connection with performance of the Contract, (b) a Receipt Party may disclose Confidential Information to lenders as necessary for Buyer to secure or retain financing needed to perform its obligations under the Contract, and (d) a Receiving Party may disclose Confidential Information to any other third party with the prior written permission of Disclosing Party, and in each case, only so long as the Receiving Party to any other finite party with the prior whiter permission to disclosing Party, and in each case, may so only as the receiving Party obtains a non-disclosure commitment from any such subcontractors, auditors, lenders or other permitted third party that prohibits disclosure of the Confidential Information and provided further that the Receiving Party remains responsible for any unauthorized use or disclosure of the Confidential Information. Receiving Party shall upon request return to Disclosing Party or destroy all copies of Confidential Information except to the extent that a specific provision of the Contract entitles Receiving Party to retain an item of Confidential Information. Seller may also retain one archive copy of Buyer's Confidential Information.
- 6.3 The obligations under this Article 6 shall not apply to any portion of the Confidential Information that: (i) is or becomes generally available to the public other than as a result of disclosure by Receiving Party, its representatives or its affiliates; (ii) is or becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party when the source is not, to the best of Receiving Partys knowledge, subject to a confidentiality obligation to Disclosing Party. (iii) is independently developed by Receiving Party, its representatives or affiliates, without reference to the Confidential Information; (iv) is required to be disclosed by law or valid legal process provided that the Receiving Party intending to make disclosure in response to such requirements or process shall promptly notify the Disclosing Party in advance of such disclosure and reasonably cooperate in attempts to maintain the confidentiality of the Confidential Information.
- 6.4 Each Disclosing Party warrants that it has the right to disclose the information that it discloses. Neither Buyer nor Seller shall make any public announcement about the Contract without prior written approval of the other party. As to any individual item of Confidential Information, the restrictions under this Article 6 shall expire five (5) years after the date of disclosure. Article 6 does not supersede any separate confidentiality or nondisclosure agreement signed by the parties.

#### 7. Intellectual Property

- 7. Intellectual Property
  7. Is eller shall defend and indemnify Buyer against any claim by a non-affiliated third party (a "Claim") alleging that Products or Services furnished under this Contract infringe a patent in effect in the U.S., an EU member state or the country of the Site (provided there is a corresponding patent issued by the U.S. or an EU member state), or any copyright or trademark registered in the country of the Site, provided that Buyer (a) promptly notifies Seller in writing of the Claim, (b) makes no admission of liability and does not take any position adverse to Seller, (c) gives Seller sole authority to control defense and settlement of the Claim, and (d) provides Seller with full disclosure and reasonable assistance as required to defend the Claim.
- 7.2 Section 7.1 shall not apply and Seller shall have no obligation or liability with respect to any Claim based upon (a) Products or Services that have been modified, or revised, (b) the combination of any Products or Services with other products or services when such combination is a basis of the alleged infringement, (c) failure of Buyer to implement any update provided by Seller that would have prevented the Claim, (d) unauthorized use of Products or Services, or (e) Products or Services made or performed to Buyer's specifications.
- 7.3 Should any Product or Service, or any portion thereof, become the subject of a Claim, Seller may at its option (a) procure for Buyer the right to continue using the Product or Service, or applicable portion thereof, (b) modify or replace it in whole or in part to make it non-infringing, or (c) failing (a) or (b), take back infringing Products or Services and refund the price received by Seller attributable to the infringing Products or Services.
- 7.4 Article 7 states Seller's exclusive liability for intellectual property infringement by Products and Services.
- 7.5 Each party shall retain ownership of all Confidential Information and intellectual property it had prior to the Contract. All new intellectual property conceived or created by Seller in the performance of this Contract, whether alone or with any contribution from Buyer, shall be owned exclusively by Seller. Buyer agrees to deliver assignment documentation as necessary to achieve that result.

8. Indemnity
Each of Buyer and Seller (as an 'Indemnifying Party') shall indemnify the other party (as an 'Indemnified Party') from and against claims brought by a third party, on account of personal injury or damage to the third party stangible property, to the extent caused by the negligence of the Indemnifying Party in connection with this Contract. In the event the injury or damage is caused by joint or concurrent negligence of Buyer and Seller, the loss or expense shall be borne by each party in proportion to its degree of negligence. For purposes of Seller's indemnity obligation, no part of the Products or Site is considered third party property.

During the term of the Contract, Seller shall maintain for its protection the following insurance coverage: (i) Worker's Compensation, Employer's Liability and other statutory insurance required by law with respect to work related injuries or disease of employees of Seller in such form(s) and amount(s) as required by applicable laws; (ii) Automobile Liability insurance with a combined single limit of \$2,500,000.00' and (iii) Commercial General Liability or Public Liability insurance for bodily injury and property damage with a combined single limit of \$2,500,000.00. If required in the Contract, Seller shall provide a certificate of insurance reflecting such coverage.

10. Excusable Events
Seller shall not be liable or considered in breach of its obligations under this Contract to the extent that Seller's performance is delayed or prevented, directly or indirectly, by any cause beyond its reasonable control, or by armed conflict, acts or threats of terrorism, epidemics, strikes or other labor disturbances, or acts or omissions of any governmental authority or of the Buyer or Buyer's contractors or suppliers. If an excusable event occurs, the schedule for Seller's performance shall be extended by the amount of time lost by

reason of the event plus such additional time as may be needed to overcome the effect of the event. If acts or omissions of the Buyer or its contractors or suppliers cause the delay, Seller shall also be entitled to an equitable price adjustment

- 11. Termination and Suspension
  11.1 Buyer may terminate the Contract (or the portion affected) for cause if Seller (i) becomes Insolvent/Bankrupt, or (ii) commits a material breach of the Contract which does not otherwise have a specified contractual remedy, provided that: (a) Buyer shall first provide Seller with detailed written notice of the breach and of Buyer's intention to terminate the Contract, and (b) Seller shall have failed, within 30 days after receipt of the notice, to commence and diligently pursue cure of the breach.
- 11.2 If Buyer terminates the Contract pursuant to Section 11.1, (i) Seller shall reimburse Buyer the difference between that portion of In Buyer entimates the continues the continues the continues to the contract Price allocable to the terminated scope and the actual amounts reasonably incurred by Buyer to complete that scope, and (ii) Buyer shall pay to Seller (a) the portion of the Contract Price allocable to Products completed, (b) lease fees incurred, and (c) amounts for Services performed before the effective date of termination. The amount due for Services shall be determined in accordance with the milestone schedule (for completed milestones) and rates set forth in the Contract (for work toward milestones not yet achieved and where there is no milestone schedule), as applicable or, where there are no milestones and/or rates in the Contract. at Seller's then-current standard time and material rates.
- 11.3 Seller may suspend or terminate the Contract (or any affected portion thereof) immediately for cause if Buyer (i) becomes Insolvent/Bankrupt, or (ii) materially breaches the Contract, including, but not limited to, failure or delay in Buyer providing Payment Security, making any payment when due, or fulfilling any payment conditions.
- 11.4 If the Contract (or any portion thereof) is terminated for any reason other than Seller's default under Section 11.1, Buyer shall pay Seller for all Products completed, lease fees incurred and Services performed before the effective date of termination, plus expenses reasonably incurred by Seller in connection with the termination. The amount due for Services shall be determined in accordance with the milestone schedule (for completed milestones) and rates set forth in the Contract (for work toward milestones not yet achieved and where there is no milestone schedule), as applicable or, where there are no milestones and/or rates in the Contract, at Seller's then-current standard time and material rates. In addition, Buyer shall pay Seller a cancellation charge equal to 80% of the Contract Price applicable to uncompleted made-to-order Products and 15% of the Contract Price applicable to all other uncompleted Products.
- 11.5 Either Buyer or Seller may terminate the Contract (or the portion affected) upon twenty (20) days advance notice if there is an excusable event (as described in Article 10) lasting longer than one hundred and twenty (120) days. In such case, Buyer shall pay to Seller amounts payable under Section 11.4, excluding the cancellation charge for uncompleted Products.
- 11.6 Buyer shall pay all reasonable expenses incurred by Seller in connection with a suspension, including, but not limited to, expenses for repossession, fee collection, demobilization/remobilization, and costs of storage during suspension. The schedule for Seller's obligations shall be extended for a period of time reasonably necessary to overcome the effects of any suspension.

#### 12. Compliance with Laws, Codes and Standards

- 12.1 Seller shall comply with laws applicable to the manufacture of Products and its performance of Services. Buyer shall comply with laws applicable to the application, operation, use and disposal of the Products and Services.
- 12.2 Seller's obligations are conditioned upon Buyer's compliance with all U.S. and other applicable trade control laws and regulations. Buyer shall not trans-ship, re-export, divert or direct Products other than in and to the ultimate country of destination declared by Buyer and specified as the country of ultimate destination on Seller's invoice.
- 12.3 Notwithstanding any other provision, Buyer shall timely obtain, effectuate and maintain in force any required permit, license, exemption, filing, registration and other authorization, including, but not limited to, building and environmental permits, import licenses, environmental impact assessments, and foreign exchange authorizations, required for the lawful performance of Services at the Site or fulfillment of Buyer's obligations, except that Seller shall obtain any license or registration necessary for Seller to generally conduct business and visas or work permits, if any, necessary for Seller's personnel. Buyer shall provide reasonable assistance to Seller in obtaining such visas and work permits. obtaining such visas and work permits.

- 13. Environmental, Health and Safety Matters
  13.1 Buyer shall maintain safe working conditions at the Site, including, without limitation, implementing appropriate procedures regarding Hazardous Materials, confined space entry, and energization and de-energization of power systems (electrical, mechanical) and hydraulic) using safe and effective lock-out/tag-out ("LOTO") procedures including physical LOTO or a mutually agreed upon alternative method.
- 13.2 Buyer shall timely advise Seller in writing of all applicable Site-specific health, safety, security and environmental requirements and procedures. Without limiting Buyer's responsibilities under Article 13, Seller has the right but not the obligation to, from time to time, review and inspect applicable health, safety, security and environmental documentation, procedures and conditions at the Site.
- 13.3 If, in Seller's reasonable opinion, the health, safety, or security of personnel or the Site is, or is apt to be, imperiled by security risks, terrorist acts or threats, the presence of or threat of exposure to Hazardous Materials, or unsafe working conditions, Seller may, in addition to other rights or remedies available to it, evacuate some or all of its personnel from Site, suspend performance of all or any part of the Contract, and/or remotely perform or supervise work. Any such occurrence shall be considered an excusable event. Buyer shall reasonably assist in any such evacuation.
- 13.4 Operation of Buyer's equipment is the responsibility of Buyer. Buyer shall not require or permit Seller's personnel to operate Buyer's equipment at Site.
- 13.5 Buyer will make its Site medical facilities and resources available to Seller personnel who need medical attention.
- 13.6. Seller has no responsibility or liability for the pre-existing condition of Buyer's equipment or the Site. Prior to Seller starting any work at Site, Buyer will provide documentation that identifies the presence and condition of any Hazardous Materials existing in or about Buyer's equipment or the Site that Seller may encounter while performing under this Contract. Buyer shall disclose to Seller industrial hygiene and environmental monitoring data regarding conditions that may affect Seller's work or personnel at the Site. Buyer shall keep Seller informed of changes in any such conditions.
- 13.7 Seller shall notify Buyer if Seller becomes aware of: (i) conditions at the Site differing materially from those disclosed by Buyer, or (ii) previously unknown physical conditions at Site differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract. If any such conditions cause an increase in Seller's cost of, or the time required for, performance of any part of the work under the Contract, an equitable adjustment in price and schedule shall be made.
- 13.8 If Seller encounters Hazardous Materials in Buyer's equipment or at the Site that require special handling or disposal, Seller is not obligated to continue work affected by the hazardous conditions. In such an event, Buyer shall eliminate the hazardous conditions in accordance with applicable laws and regulations so that Seller's work under the Contract may safely proceed, and Seller shall be entitled to an equitable adjustment of the price and schedule to compensate for any increase in Seller's cost, or time required for, performance of any part of the work. Buyer shall properly store, transport and dispose of all Hazardous Materials introduced, produced or generated in the course of Seller's work at the Site.
- 13.9 Buyer shall indemnify Seller for any and all claims, damages, losses, and expenses arising out of or relating to any Hazardous Materials which are or were (i) present in or about Buyer's equipment or the Site prior to the commencement of Seller's work, (ii) improperly handled or disposed of by Buyer or Buyer's employees, agents, contractors or subcontractors, or (iii) brought, generated, produced or released on Site by parties other than Seller.

- 14. Changes14.1 Each party may at any time propose changes in the schedule or scope of Products or Services. Seller is not obligated to proceed with any change until both parties agree upon such change in writing. The written change documentation will describe the changes in scope and schedule, and the resulting changes in price and other provisions, as agreed.
- 14.2 The scope, Contract Price, schedule, and other provisions will be equitably adjusted to reflect additional costs or obligations incurred by Seller resulting from a change, after Seller's proposal date, in Buyer's Site-specific requirements or procedures, or in industry specifications, codes, standards, applicable laws or regulations. However, no adjustment will be made on account of a general change in Seller's manufacturing or repair facilities resulting from a change in laws or regulations applicable to such facilities. Unless otherwise agreed by the parties, pricing for additional work arising from such changes shall be at Seller's time and material rates.
- 14.3 It shall be acceptable and not considered a change if Seller delivers a Product that bears a different, superseding or new part or version number compared to the part or version number listed in the Contract.

- 15. The total liability of Seller for all claims of any kind arising from or related to the formation, performance or breach of this Contract, or any Products or Services, shall not exceed the (f) Contract Price, or (fi) if Buyer places multiple order(s) under the Contract, the price of each particular order for all claims arising from or related to that order and ten thousand US dollars (US \$10,000) for all claims not part of any particular order.
- 15.2 Seller shall not be liable for loss of profit or revenues, loss of use of equipment or systems, interruption of business, cost of replacement power, cost of capital, downtime costs, increased operating costs, any special, consequential, incidental, indirect, or punitive damages, or claims of Buyer's customers for any of the foregoing types of damages.

- 15.3 All Seller liability shall end upon expiration of the applicable warranty period, provided that Buyer may continue to enforce a claim for which it has given notice prior to that date by commencing an action or arbitration, as applicable under this Contract, before expiration of any statute of limitations or other legal time limitation but in no event later than one year after expiration of such warranty
- 15.4 Seller shall not be liable for advice or assistance that is not required for the work scope under this Contract.
- 15.5 If Buyer is supplying Products or Services to a third party, or using Products or Services at a facility owned by a third party, Buyer shall either (i) indemnify and defend Seller from and against any and all claims by, and liability to, any such third party in excess of the limitations set forth in this Article 15, or (ii) require that the third party agree, for the benefit of and enforceable by Seller, to be bound by all the limitations included in this Article 15.
- 15.6 For purposes of this Article 15, the term "Seller" means Seller, its affiliates, subcontractors and suppliers of any tier, and their respective employees. The limitations in this Article 15 shall apply regardless of whether a claim is based in contract, warranty, indemnity, tort/extra-contractual liability (including negligence), strict liability or otherwise, and shall prevail over any conflicting terms, except to the extent that such terms further restrict Seller's liability.

#### 16. Governing Law and Dispute Resolution

- 16.1 This Contract shall be governed by and construed in accordance with the laws of (i) the State of New York if Buyer's place of business is in the U.S. or (ii) England if the Buyer's place of business is outside the U.S., in either case without giving effect to any choice of law rules that would cause the application of laws of any other jurisdiction (the "Governing Law"). If the Contract includes the sale of Products and the Buyer is outside the Seller's country, the United Nations Convention on Contracts for the International Sale of Goods shall apply.
- 16.2 All disputes arising in connection with this Contract, including any question regarding its existence or validity, shall be resolved in accordance with this Article 16. If a dispute is not resolved by negotiations, either party may, by giving written notice, refer the dispute to a meeting of appropriate higher management, to be held within twenty (20) business days after the giving of notice. If the dispute is not resolved within thirty (30) business days after the giving of notice, or such later date as may be mutually agreed, either party may commence arbitration or court proceedings, depending upon the location of the Buyer, in accordance with the following:
- (a) if the Buyer's pertinent place of business is in the U.S, legal action shall be commenced in federal court with jurisdiction applicable to, or state court located in, either Cobb County, Georgia or the location of Buyer's principal place of business; or (b) if the Buyer's pertinent place of business is outside the U.S., the dispute shall be submitted to and finally resolved by arbitration under the Rules of Arbitration of the International Chamber of Commerce ("ICC"). The number of arbitrators shall be one, selected in accordance with the ICC rules, unless the amount in dispute exceeds the equivalent of U.S. \$5,000,000, in which event it shall be three. When three arbitrators are involved, each party shall appoint one arbitrator, and those two shall appoint the third within thirty (30) days, who shall be the Chairman. The seat, or legal place, of arbitration, shall be London, England. The arbitration shall be conducted in English. In reaching their decision, the arbitrators shall give full force and effect to the intent of the parties as expressed in the Contract, and if a solution is not found in the Contract, shall apply the governing law of the Contract. The decision of the arbitrator(s) shall be final and binding upon both parties, and neither party shall seek recourse to a law court or other authority to appeal for revisions of the decision.
- 16.3 Notwithstanding the foregoing, each party shall have the right at any time, at its option and where legally available, to immediately commence an action or proceeding in a court of competent jurisdiction, subject to the terms of this Contract, to seek a restraining order, injunction, or similar order to enforce the confidentiality provisions set forth in Article 6 and/or the nuclear use restrictions set forth in ection 19.1, or to seek interim or conservatory measures. Monetary damages shall only be available in accordance with Section

#### 17. Inspection and Factory Tests

Seller will apply its normal quality control procedures in manufacturing Products. Seller shall attempt to accommodate requests by Buyer to witness Seller's factory tests of Products, subject to appropriate access restrictions, if such witnessing can be arranged without delaying the work.

18. Software, Leased Equipment, Remote Diagnostic Services, PCB Services

If Seller provides any software to Buyer, the Software License Addendum shall apply. If Seller leases any of Seller's equipment or
provides related Services to Buyer, including placing Seller's equipment at Buyer's site to provide remote Services, the Lease
Addendum shall apply. If Seller provides remote diagnostic services to Buyer, the Remote Diagnostic Services Addendum shall apply.

If Seller provides PCB Services to Buyer, the PCB Services Addendum shall apply. If there is any conflict been these "Terms and Conditions for the Sale of Products and Services, Form ES 104" and the terms of any addendum incorporated pursuant to this Article
18, the terms of the addendum shall take precedence with respect to the applicable scope.

- 19.1 Products and Services sold by Seller are not intended for use in connection with any nuclear facility or activity, and Buyer warrants that it shall not use or permit others to use Products or Services for such purposes, without the advance written consent of Seller. If, in breach of this, any such use occurs, Seller (and its parent, affiliates, suppliers and subcontractors) disclaims all liability for any nuclear or other damage, injury or contamination, and, in addition to any other rights of Seller, Buyer shall indemnify and hold Seller (and its parent, affiliates, suppliers and subcontractors) harmless against all such liability. Consent of Seller to any such use, if any, will be conditioned upon additional terms and conditions that Seller determines to be acceptable for protection against nuclear liability.
- 19.2 Seller may assign or novate its rights and obligations under the Contract, in whole or in part, to any of its affiliates or may assign any of its accounts receivable under this Contract to any party without Buyer's consent. Buyer agrees to execute any documents that may be necessary to complete Seller's assignment or novation. Seller may subcontract portions of the work, so long as Seller remains responsible for it. The delegation or assignment by Buyer of any or all of its rights or obligations under the Contract without Seller's prior written consent (which consent shall not be unreasonably withheld) shall be void.
- 19.3 Buyer shall notify Seller immediately upon any change in ownership of more than fifty percent (50%) of Buyer's voting rights or of any controlling interest in Buyer. If Buyer falls to do so or Seller objects to the change, Seller may (a) terminate the Contract, (b) require Buyer to provide adequate assurance of performance (including but not limited to payment), and/or (c) put in place special controls regarding Seller's Confidential Information.
- 19.4 If any Contract provision is found to be void or unenforceable, the remainder of the Contract shall not be affected. The parties will endeavor to replace any such void or unenforceable provision with a new provision that achieves substantially the same practical and economic effect and is valid and enforceable.
- 19.5 The following Articles shall survive termination or cancellation of the Contract: 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 15, 16, 18, 19
- 19.6 The Contract represents the entire agreement between the parties. No oral or written representation or warranty not contained in this Contract shall be binding on either party. Buyer's and Seller's rights, remedies and obligations arising from or related to Products and Services sold under this Contract are limited to the rights, remedies and obligations stated in this Contract. No modification, amendment, rescission or waiver shall be binding on either party unless agreed in writing.
- 19.7 Except as provided in Article 15 (Limitations of Liability) and in Section 19.1 (no nuclear use), this Contract is only for the benefit of the parties, and no third party shall have a right to enforce any provision of this Contract, whether under the English Contracts (Rights of Third Parties) Act of 1999 or otherwise.
- 19.8 This Contract may be signed in multiple counterparts that together shall constitute one agreement.

## 20. US Government Contracts

- 20.1 This Article 20 applies only if the Contract is for the direct or indirect sale to any agency of the U.S. government and/or is funded in whole or in part by any agency of the U.S. government.
- 20.2 Buyer agrees that all Products and Services provided by Seller meet the definition of 'commercial off-the-shelf' ('COTS') or 'commercial item' as those terms are defined in Federal Acquisition Regulation ('FAR') 2.101. To the extent the Buy American Act, Trade Agreements Act, or other domestic preference requirements are applicable to this Contract, the country of origin of Products is unknown unless otherwise specifically stated by Seller in this Contract. Buyer agrees any Services offered by Seller are exempt from the Service Contract Act of 1965 (FAR 52.222-41). Buyer represents and agrees that this Contract is not funded in whole or in part by American Recovery Reinvestment Act funds unless otherwise specifically stated in the Contract. The version of any applicable FAR clause listed in this Article 20 shall be the one in effect on the effective date of this Contract.
- 20.3 If Buyer is an agency of the U.S. Government, then as permitted by FAR 12.302, Buyer agrees that all paragraphs of FAR 52.212-4 (except those listed in 12.302(b)) are replaced with these Terms and Conditions. Buyer further agrees the subparagraphs of FAR 52.212-5 apply only to the extent applicable for sale of COTS and/or commercial items and as appropriate for the Contract Price.
- 20.4 If Buyer is procuring the Products or Services as a contractor, or subcontractor at any tier, on behalf of any agency of the U.S. Government, then Buyer agrees that FAR 52.212-5(e) or 52.244-6 (whichever is applicable) applies only to the extent applicable for sale of COTS and/or commercial items and as appropriate for the Contract Price.

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