

1. PURCHASE ORDER ACCEPTANCE-ORDER OF PRECEDENCE-MODIFICATION

- A. This Purchase Order Subcontract Agreement ("POSA") is for the purchase of goods, services in connection with a project (the "Project"), or both as described on the face of the purchase order (collectively, "Subcontract Work" or "job") and is issued by the member of the Honeywell International Inc. group of companies identified on the face of the purchase order ("Honeywell"). The term "POSA" is inclusive of the purchase order. This POSA is deemed accepted if not rejected within 3 days of issuance of the purchase order or begins performing, whichever is earlier. Honeywell rejects any additional or inconsistent terms and conditions offered by Subcontractor("Subcontractor") at any time. Any reference to Subcontractor's quotation, bid, or proposal does not imply acceptance of any term, condition, or instruction contained in that document.
- B. These terms and conditions together with the specifications, drawings, or other documents referred to on the face of the purchase order, or attached, or any documents incorporated by reference, or any previously executed non-disclosure agreement (the obligations of which remain in effect), supersede any prior or contemporaneous communications, representations, promises, or negotiations, whether oral or written, respecting the subject matter of this POSA. All contract documents related to the purchase order are interpreted together as one agreement. No modification of this POSA will be binding on either Party unless set forth in a writing signed by an authorized representative of both Parties specifically stating it is amending this POSA. No course of dealing, prior dealings, usage of trade or course of performance will be used to modify, supplement or explain any terms used in this POSA.

2. SCOPE OF SUBCONTRACT WORK

Subcontractor will furnish, under the general supervision of Honeywell, pay for all labor, equipment, materials, skill and instrumentalities, and perform all the work necessary to complete the Subcontract Work, whether specifically described in the POSA, scope of work attached or detailed, on the face of the purchase order or which may be reasonably implied to complete the Subcontract Work, as a functional unit, for the use intended.

3. HAZARDOUS MATERIAL LIABILITY

- A. Subcontractor agrees to waive and release all lien rights and claims now existing or that may at some

future time arise on the job; to furnish, if requested, waivers of liens and claims from every person furnishing labor or material for the job; and to protect Honeywell, the job, and Honeywell's customer from all expenses arising out of the Subcontractor's efforts under this POSA.

- B. If the Subcontractor encounters asbestos containing material, formaldehyde, lead, or potentially toxic or otherwise hazardous material, including but not limited to mold, mildew, fungi or other similar microbial conditions in the performance of its work, or disturbs painted surfaces in pre-1978 homes and child-occupied facilities as defined by the Environmental Protection Agency's Renovation, Repair & Painting Rule, Subcontractor will immediately halt work on the affected portion and contact Honeywell for further instructions. Subcontractor will indemnify and hold Honeywell harmless from and against any and all claims and the cost of the claims, including attorneys' fees, damages for bodily injury and property damage which may arise as the direct result of Subcontractor's work in or around asbestos or other hazardous or toxic substances, as well as any mold, mildew, fungi or other similar microbial condition caused by the Subcontractor, its subcontractors, agents or employees in the performance of the work. UNDER NO CIRCUMSTANCES WILL HONEYWELL BE LIABLE FOR ANY INJURY TO SUBCONTRACTOR WHICH IS THE RESULT OF SUBCONTRACTOR'S EXPOSURE TO ASBESTOS OR OTHER TOXIC OR HAZARDOUS SUBSTANCES.

4. HONEYWELL DIRECTED CHANGES

Honeywell may, by written or electronic notification, direct changes in the Subcontract Work. Only authorized Honeywell procurement representatives may issue changes to this POSA. If any change causes an increase or decrease in the cost of, or the time required for, performing the Subcontract Work, an equitable adjustment will be made in the purchase order price, delivery dates or both, and this POSA will be modified in writing or electronically accordingly. Any claim for adjustment under this provision is waived unless asserted in writing and delivered to Honeywell within 10 days from the date of the receipt by Subcontractor of the Honeywell-directed change. Notwithstanding any disagreement between the Parties regarding the impact of a change, Subcontractor will proceed diligently with its performance under this POSA pending resolution of the disagreement.

5. FLOW DOWN OBLIGATIONS

Subcontractor agrees to assume toward Honeywell, as applicable to the Subcontractor's scope of work, all the

obligations that Honeywell has assumed toward Honeywell's customer or an entity that has contracted with Honeywell's customer and has obligations which flow down to Honeywell ("Prime Related Contract") by the terms of the plans and specifications, general conditions and supplementary conditions, relating to the entire Project ("Prime Contract"), which Prime Contract and Prime Related Contract are available for examination by Subcontractor.

6. DELIVERY

Time is of the essence with respect to the Subcontract Work schedule. Subcontractor will begin the Subcontract Work as soon as the Project is ready for the Subcontract Work or, in any event within 72 hours after being notified by Honeywell to do so, and will complete the Subcontract Work in accordance with the Subcontract Work schedule furnished by Honeywell. If Subcontractor reasonably believes that it will be unable to meet the Subcontract Work schedule or any portion of the Subcontract Work schedule, Subcontractor will immediately notify Honeywell of the anticipated delay and take immediate corrective action to comply with the Subcontract Work schedule (including without limitation working overtime or providing additional personnel or equipment or other resources). All corrective actions will be at Subcontractor's sole cost and expense, unless the delay or anticipated delay is caused by Honeywell, in which case the Parties will mutually agree on a corrective action plan and apportioning of the cost. If Subcontractor fails to promptly develop and implement a corrective action plan, Honeywell may implement its own corrective action plan at Subcontractor's expense. No oral extensions of time for the performance of this POSA will be recognized.

7. PERFORMANCE

a. Performance Assurance Plan. If Honeywell, in its sole discretion, determines there is a significant risk that Subcontractor will fail, or that Subcontractor has failed, to meet, its performance or delivery obligations under this Agreement, then Honeywell may require Subcontractor to perform under a Honeywell or Honeywell-approved Performance Assurance Plan. The Performance Assurance Plan may include specific reporting and performance requirements reasonably tailored to ensure or measure Subcontractor's adequate performance under identified provisions of this Agreement. Any failure by Subcontractor to satisfy the terms of the Performance Assurance Plan is a material breach. Subcontractor is liable for all work, costs and expenses Honeywell incurs or sustains by providing resources to assist Subcontractor in meeting its performance obligations under this Agreement. Honeywell will have the right to seek recovery of all costs on a monthly basis. Subcontractor will pay Honeywell's costs within 30 days after receipt of invoice or Honeywell may setoff the costs from payments owing from Honeywell to Subcontractor.

b. Default. If, in Honeywell's exclusive judgment, the Subcontractor is failing to satisfactorily perform any aspect of the Subcontract Work including, but not limited to, failure to pay its creditors, Honeywell may, at its sole option, take whatever steps it deems necessary to correct any deficiency, including but not limited to:

- 1) requiring Subcontractor to correct, replace and/or re-execute, faulty or defective Subcontract Work done or materials furnished at Subcontractor's cost; and/or
- 2) requiring Subcontractor to increase the number of workmen assigned to the Subcontract Work and to use overtime labor or work on Saturdays, Sundays or holidays to complete the Subcontract Work on schedule; or
- 3) terminating this Subcontract and completing or correcting the Subcontract Work itself, or retaining others to do so. Honeywell may require materials of the Subcontractor to be left on the Subcontract Work site for use in completing or correcting the Subcontract Work.

Subcontractor will be responsible for all costs or expenses incurred by Honeywell as a result of Subcontractor's failure to satisfactorily perform.

8. SPECIFIC PERFORMANCE

Subcontractor hereby acknowledges and agrees that Honeywell would be irreparably damaged in the event that any of the provisions of this Agreement were not performed in accordance with its specific terms or were otherwise breached. Accordingly, Subcontractor agrees that, in addition to any other remedy to which Honeywell is entitled at law or in equity, Honeywell will be entitled to a temporary, preliminary and/or permanent injunction(s) to prevent breach of and enforce terms in this Agreement without the need to prove a lack of an adequate remedy at law. In either case, no bond or other security will be required. Subcontractor further acknowledges in the event it alleges a breach of the terms of this Agreement, it will continue performance until such allegation is resolved and if Subcontractor fails to continue performance, Honeywell is entitled to a temporary, preliminary and/or permanent injunction or injunctions.

9. DEFECTS

Subcontractor is responsible for the checkout and verification of its own work. If any deficiencies or defects are discovered after the Subcontract Work is turned over to Honeywell, the deficiencies and defects will be expeditiously corrected at Subcontractor's expense for the duration of the warranty period, defined in Section 22 of this POSA.

10. DESIGN OBLIGATIONS

- A. If Subcontractor's scope of work covers design/build responsibilities, Subcontractor will specify all performance and design criteria related to the systems, materials or equipment to be provided for the Project. Subcontractor will cause the services to be provided by a properly licensed design professional, whose signature and seal will appear on all drawings, calculations, specifications, certifications, shop drawings and other submittals prepared by those professionals. Shop drawings and other submittals related to the work designed or certified by a professional, if prepared by others, will bear the professional's written approval when submitted to Subcontractor. Honeywell will be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by the design professionals. Honeywell will review, approve or take other appropriate action on submittals only for the limited purpose of checking for conformance with information given by Subcontractor and the design concept expressed in the Prime Contract or Prime Related Contract or POSA. Honeywell will not be responsible for the adequacy of the performance or design criteria required by the Prime Contract or Prime Related Contract or POSA.
- B. The drawings, specifications and other documents prepared by Subcontractor are for use solely with respect to the Subcontract Work. They are not to be used by Subcontractor or any sub-subcontractor or material or equipment supplier on other projects or for additions to the scope of work without the specific written consent of Honeywell. Subcontractor, sub-subcontractors and material or equipment suppliers are authorized to use and reproduce applicable portions of the drawings, specifications and other documents prepared by Subcontractor appropriate to and for use in the execution of their work under the Subcontract Work.

11. WAGE LAWS

- A. The Project may be governed by, and subject to, certain prevailing wage laws, rules and regulations, including, without limitation, the Wage Rate Requirements (Construction), 40 U.S.C. chapter 31, subchapter IV, and similar state statutes (the prevailing wage laws, rules, and regulations applicable to this Project, as amended from time-to-time, are referred to herein as the "Prevailing Wage Laws"), and related wage schedule(s) ("Wage Schedule"). If and to the extent that this Project is subject to any U.S. federal Prevailing Wage Laws, the following Prevailing Wage Laws are incorporated in this POSA and are applicable to the

Subcontract Work: all rulings and interpretations of the Wage Rate Requirements (Construction), 40 U.S.C. chapter 31, subchapter IV, the Service Contract Act of 1965, related acts, and all rules and regulations promulgated thereunder, including, without limitation, 29 C.F.R. Parts 1, 3 and 5. The Wage Schedule, if applicable, has been or will be provided to Subcontractor or, if not provided to Subcontractor, will be Subcontractor's responsibility to obtain. Subcontractor will and will cause its lower tier subcontractors ("LTS") to strictly comply with all applicable Prevailing Wage Laws and pay all workers prevailing wages and benefits as required by such Prevailing Wage Laws. In addition, Subcontractor will and will cause LTS to: (i) ensure that all workers sign in and out of the site each day and submit the completed sign in/sign out sheets to Honeywell at the end of each work day, (ii) submit the attached Statement of Compliance, Exhibit A, and a reasonable number of certified copies of current payroll records on the form incorporated in this POSA as Exhibit A-1 with each request for payment (it being understood and agreed that receipt of such information by Honeywell will be a condition precedent to making any payments to Subcontractor) or on a weekly or other more frequent basis, if and to the extent required under the Prime Contract or Prime Related Contract or Prevailing Wage Laws, (iii) provide Honeywell cancelled worker payroll checks which correspond to the certified payrolls as they become available, but no later than 30 days after the check was issued, (iv) submit proof satisfactory to Honeywell upon Honeywell's request that all wages and benefits owed to workers by Subcontractor and LTS have been paid and provided, and (v) promptly notify Honeywell in writing, within five days of receipt, of any notices they receive (or have knowledge of) from any government agencies regarding Subcontractor's or LTS' compliance or non-compliance with Prevailing Wage Laws, including, without limitation, providing copies of any such notices. Notwithstanding the other provisions of this Section, Subcontractor shall perform all obligations under the Prime Contract or Prime Related Contract for the benefit of Honeywell that Honeywell is required to perform for the benefit of its customer, with respect to all matters relating to prevailing wages and benefits and Prevailing Wage Laws to the extent that the Prime Contractor Prime Related Contract imposes stricter burdens and obligations than this Section.

This POSA incorporates the following clauses by reference, with the same force and effect as they

were given in full text. Ytsr#iuyiw@Lsri}{ igf no# q eoi#lin#hy#ki |#ezep#p#2#os#k#i#y#di |#s#j# qeywi#g#e)#fi#eggiwih#ig#xs#ng#eg)#e#>lin# ehriwiw# Jihive# Eguymnsr# Vikyexsr# JEV# qeywiw# wevzrk# {ml# 96-> <http://www.acquisition.gov/browse/index/far>.

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- B. Subcontractor will, and will cause LTS to, grant Honeywell the right to examine all books, records, files, accounts, computer records, documents, and correspondence including, without limitation, electronically stored information, in the possession or control of Subcontractor, LTS or any affiliated business of any of them. At the request of Honeywell, Subcontractor will, and will cause LTS to, execute such documents, if any, as are necessary to give Honeywell access to books, documents, or records that are under Subcontractor or LTS's control, in whole or in part, but not currently in Subcontractor's physical possession pertaining to the Honeywell customer project. Subcontractor will, and will cause LTS to, give Honeywell all authorizations, permissions, and/or waivers requested by Honeywell for obtaining records pertaining to Subcontractor or LTS, but not maintained by Subcontractor or LTS, including, without limitation, bank records and credit reports, from the persons or entities that possess them, including but not limited to financial institutions and credit reporting agencies.
- C. The terms and conditions of this POSA, including, without limitation, this Section, are intended solely for the benefit of the signatories to this POSA. Individual workers who furnish labor in connection with or related to this POSA or the Project are not intended beneficiaries of this POSA, and therefore, cannot assert common law breach of contract or other claims arising under this POSA or any quasi-contract claims. Subcontractor's failure to comply with any obligation contained in this Section will be deemed a material breach of this POSA.

12. LABOR OBLIGATIONS

Subcontractor will comply with Honeywell's National Pneumatic Control Systems Installation & Service Agreement and will employ union labor for all work covered under the scope of the trade jurisdiction of the United Association of

Journeyman and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, AFL-CIO. Subcontractor also agrees to comply with any other union obligations which may exist on the Project related to the scope of work they will perform. Subcontractor further agrees that all such obligations will extend to any sub-subcontractors that Honeywell may agree to under the terms of this POSA.

13. INVOICING AND PAYMENT

- A. Schedule Of Values. Within fourteen (14) calendar days from the date of execution of this POSA, the Subcontractor will prepare and submit to Honeywell a schedule of values apportioned to the various divisions or phases of the Subcontract Work. Each line item contained in the schedule of values will be assigned a monetary price so that the total of all items will equal the Subcontract Price. The schedule of values will be prepared in the detail as may be required by the Owner and Honeywell's customer and, in addition Honeywell and Subcontractor may agree on the extent of the detail to be included in the schedule of values, which must be supported by the documents and proof as Honeywell may require.
- B. Payment Not Acceptance. Payment to the Subcontractor does not constitute or imply acceptance of any portion of the Subcontract Work.
- C. Progress Payments.
 - 1. Applications. Subcontractor's applications for payment will be itemized and supported by the Subcontractor's schedule of values and any other substantiating data as required in the Prime Contract or Prime Related Contract for Honeywell's payment applications. Applications for payment will comply with the applicable law of the jurisdiction of the Honeywell Project. Subcontractor's applications will be notarized if required by Honeywell. Subcontract payment applications may include payment requests on account of properly authorized subcontract construction change directives. The Subcontractor's progress payment application for work performed in the preceding payment period will be submitted to Honeywell in accordance with the terms of this POSA for approval by Honeywell. Honeywell will incorporate the approved amount of the Subcontractor's progress payment application into Honeywell's payment application to the Owner or Honeywell's customer for the same period and submit it to the Owner or Honeywell's customer in a timely fashion.
 - 2. Partial Lien Waivers and Affidavits. As a prerequisite for payment, the Subcontractor will provide, in a form satisfactory to the Owner or Honeywell's customer and Honeywell, partial lien and claim waivers for all work performed through the date of the application for payment, except as may be set forth in the application for

payment, and similar waivers from its subcontractors, materialmen and suppliers for the completed Subcontract Work. The waivers may be conditional upon payment.

3. Statutory Declaration. After the first payment, each application for payment will include a declaration by the Subcontractor as to the distribution made of the amounts previously received using document CCDC 9B 'Statutory Declaration'.
4. Workers' Compensation Certificate. Each application for payment will include evidence of compliance with workers' compensation legislation applicable to the jurisdiction of the Honeywell Project in a form satisfactory to Honeywell. If the jurisdiction of the Honeywell Project is Ontario, the Subcontractor will produce this evidence in the form of a Workplace Safety and Insurance Board certificate.
5. Rejection of Subcontractor's Payment Application. Honeywell may reject or dispute a Subcontractor payment application, in whole or in part, as may reasonably be necessary to protect Honeywell from loss or damage based upon:
 - a. the Subcontractor's repeated failure to perform the Subcontract Work as required by the Subcontract;
 - b. loss or damage arising out of or relating to the Subcontract and caused by the Subcontractor's performance of the Subcontract Work to the Owner or Honeywell's customer, Honeywell or others to whom Honeywell may be liable;
 - c. the Subcontractor's failure to properly pay for labor, materials, equipment or supplies furnished in connection with the Subcontract Work;
 - d. rejected, non-conforming or defective Subcontract Work which has not been corrected in a timely fashion;
 - e. reasonable evidence of delay in performance of the Subcontract Work where the work will not be completed within the subcontract period, and that the unpaid balance of the Subcontract Price is not sufficient to offset the liquidated damages or actual damages that may be sustained by Honeywell as a result of the anticipated delay caused by the Subcontractor;
 - f. reasonable evidence demonstrating that the unpaid balance of the Subcontract

Price is insufficient to cover the cost to complete the Subcontract Work;

- g. third party claims involving the Subcontractor or reasonable evidence demonstrating that third party claims are likely to be filed unless and until the Subcontractor furnishes Honeywell with adequate security in the form of a surety bond, letter of credit or other collateral or commitment which are sufficient to discharge such claims if established.

Honeywell will give written notice to the Subcontractor, at the time of disapproving or disputing an application for payment, of the specific reasons and in accordance with applicable law. When the above reasons for disapproving or disputing an application for payment are removed, payment will be made for amounts previously withheld in accordance with applicable law.

6. Time of Application. For each progress payment period, the Subcontractor will submit its progress payment application to Honeywell for the Subcontract Work performed to date no later than seven (7) calendar days prior to the date that Honeywell's progress payment application is required to be submitted to the Owner or Honeywell's customer under the Prime Contract or Prime Related Contract, unless otherwise agreed. To the extent allowed under Subparagraph 12.8 of this POSA, the Subcontractor may include in its progress payment applications to Honeywell materials and equipment suitably stored at the site or elsewhere for use in performance of the Subcontract Work.
8. Stored Materials and Equipment. Unless otherwise provided in the contract documents, applications for payment may include materials and equipment not incorporated into the Subcontract Work but delivered to and suitably stored at the site. Applications for payment may include materials and equipment delivered to and suitably stored off the site, if allowed under the POSA and properly approved. Approval of payment applications for materials and equipment stored on or off the site will be conditioned on submissions by the Subcontractor of bills of sale and applicable insurance or other procedures satisfactory to the Owner or Honeywell customer and Honeywell to establish the proper valuation of the stored materials and equipment, the Owner's title to the materials and equipment, and to otherwise protect the Owner's and Honeywell's interests, including transportation to the site.
9. Invoicing. Invoices may be submitted to Honeywell electronically utilizing the purchasing system or emailing

an invoice to the address shown on the face of the purchase order.

Progress payments to the Subcontractor for satisfactory performance of the Subcontract Work will be made in accordance with the terms on the face of the purchase order from the date upon which a correct invoice is received or the time as required by applicable law, whichever is earlier. Payment will be scheduled for the first payment cycle following the net terms for the invoice and in accordance with applicable laws. Honeywell's obligation to pay is specifically and expressly conditioned upon Honeywell receiving payment from the Customer for Subcontract Work. The price for the Subcontract Work will include all freight charges and all taxes assignable to the Subcontract Work.

Undisputed invoices submitted more than ninety (90) days after the Subcontract Work to which the invoice relates were rendered will not be accepted for payment by Honeywell and the Subcontractor hereby releases Honeywell from any and all liability for payment with respect to said invoices.

- D. Final Payment. Final payment of the balance owed to Subcontractor will be made in accordance with the terms on the face of the purchase order from the date upon which a correct invoice is received or such time as required by applicable law, whichever is earlier. Payment will be scheduled for the first payment cycle following the net terms for the invoice. Honeywell's obligation to pay is specifically and expressly conditioned upon Honeywell receiving payment from Honeywell's customer for Subcontract Work. However, Subcontractor will not be entitled to final payment until all Subcontract Work is completed. Subcontractor agrees to furnish, if and when required by Honeywell, payroll affidavits, receipts, vouchers, releases of claims for labor and material, and releases from its subcontractors and vendors, in a form satisfactory to Honeywell prior to receipt of any payment.

14. SAFETY OBLIGATIONS

- A. Subcontractor will give all required notices and comply with all applicable laws, statutes, rules, regulations, orders and other legal requirements established to prevent injury, loss or damage to persons or property or to prevent environmental harm. Failure to do so may result in removal from the Project and of consideration of future work with Honeywell.
- B. Subcontractor will implement appropriate safety measures pertaining to the Subcontract Work and the Project. Without limiting the foregoing, Subcontractor will:

1. Complete risk assessments provided by Honeywell, or equivalent subcontractor processes approved by Honeywell, which identify critical steps and hazards associated with all tasks, assess risk associated with all identified hazards, and identify controls to be integrated to mitigate risk. When work is being completed on a customer site, involvement of the customer and assessment of area specific hazards must be included. Such risk assessments are to be completed prior to the commencement of the work, reviewed at least daily, updated as conditions change, and made available for review by Honeywell upon request;
 2. Identify and complete all legally required training and training associated with high risk tasks (i.e., electrical arc flash, permit required confined space entry, elevated work platforms, Lock Out Tag out, fall protection, etc.), licenses and certifications relevant to the work to be performed by affected personnel. All relevant training records, licenses and certifications are to be made available for review by Honeywell upon request, including, without limitation, prior to the start of work;
 3. Complete weekly inspections of the work area and memorialization of such inspections in a form satisfactory to Honeywell and executed by Subcontractor, focusing on housekeeping, employee behavior, safe work procedures, tools and PPE; Subcontractor may use its own form; however, Honeywell reserves the right to require the use of a Honeywell form or require changes to the Subcontractor's form; and
 4. Take any reasonable actions requested by Honeywell in connection with Honeywell inspections and audits of Subcontractor's workspace. Honeywell reserves the right to require additional controls be put in place prior to Subcontractor starting the Subcontract Work.
- C. Subcontractor will give prompt written notice to Honeywell of any accident involving personal injury, any property damage, any request to stop work by Honeywell's customer, any alleged exposure to hazardous materials or other exposure that could adversely affect health, or any failure that could have resulted in serious personal injury or material property damage, whether or not an injury or property damage was sustained.

- D. Subcontractor will establish and submit site-specific safety programs, safety measures, policies and standards conforming to those required or recommended by governmental and quasi-governmental authorities having jurisdiction and by Honeywell and Honeywell's customer, including, but not limited to, requirements imposed by this POSA and the Prime Contract or Prime Related Contract. To assess compliance with this requirement, Honeywell has engaged with Avetta, a third-party vendor management service, to collect and assess required documentation from subcontractors. Where Avetta or a successor third-party vendor management service is used, Subcontractor shall, at its own expense, maintain a subscription and satisfactory grade with that service. Failure to obtain or maintain a subscription and satisfactory grade shall be considered a material breach of this POSA.
- E. Subcontractor agrees to comply with all other reasonable requests of Honeywell relating to safety and health in connection with the Subcontract Work.

15. SUBCONTRACTORS

Subcontractor may not engage any subcontractors or suppliers to perform or supply any of the Subcontract Work without Honeywell's prior written consent. Subcontractor shall ensure that all lower-tier subcontractors abide by all terms and conditions including those relating to health or safety set forth in this POSA. Subcontractor will indemnify Honeywell for fines, or penalties imposed on Honeywell as a result of any safety violation by Subcontractor or its lower-tier subcontractors.

16. INSURANCE

Subcontractor will maintain, at its own expense and at all times during the course of this POSA, those insurance policies and minimum limits of coverage as designated below, with an A.M. Best's Insurance rating of A- or better:

- A. Commercial general liability coverage (including product liability, contractual liability and completed operations liability) in a sum no less than \$2 million;
- B. If automobiles will be used in performance of this Agreement, automobile liability coverage in a sum no less than \$1 million;
- C. Workers' compensation coverage as required by any applicable law or regulation and in accordance with the laws of the state, territory, or province having jurisdiction over Subcontractor's employees; and
- D. Employer's liability coverage in an amount of no less than \$1 million.

Except for workers' compensation insurance, all policies of insurance will include Honeywell International Inc., its subsidiaries, and its and their respective officers, directors, shareholders, employees, agents and customer as additional insureds to the extent of Subcontractor's indemnification obligations pursuant to Section 24 of this POSA. All policies will provide that they are primary to and noncontributory with any and all insurance maintained by or afforded to an additional insured under such insurance.

Prior to commencement of services, Subcontractor will provide to Honeywell certificates of insurance evidencing compliance with the insurance requirements of this POSA.

All coverages and coverage limits required under this Agreement can be met through any combination of primary and excess (umbrella) insurance policies allowed by law. The amount of insurance carried in compliance with the above requirements is not to be construed as either a limitation on or satisfaction of any obligations under this POSA.

Except where prohibited by law, Subcontractor will require its insurers to waive all rights of recovery or subrogation against Honeywell, its subsidiaries and affiliated companies, and its and their respective officers, directors, shareholders, employees and agents. The amount of insurance carried in compliance with the above requirements is not to be considered as either a limitation on or satisfaction of the indemnification obligations in this POSA.

If Subcontractor's scope of work covers design/build responsibilities, Subcontractor will at its expense, procure and maintain Errors and Omissions Insurance in an amount no less than \$5 million.

17. ENERGY EFFICIENCY DEDUCTION

Honeywell is solely entitled to the recovery of any deductions available pursuant to the Internal Revenue Code Section 179D, energy efficient commercial building deductions.

18. WORK PRECEDING SUBCONTRACTOR'S

Unless Honeywell is notified in writing to the contrary, it will be conclusively presumed that work by others that precedes Subcontractor's performance has been done in a proper manner.

19. SURETY BONDS

If the value of this POSA is equal to or greater than \$100,000 or Honeywell has otherwise communicated a surety requirement to Subcontractor, performance and payment bonds will be required. If required, it will be identified in the scope of work or on the face of the purchase order. **Any bonds will be in a form and by a surety acceptable to Honeywell.** The cost for any bonds is to be included in the subcontract price.

20. BACKGROUND CHECKS

Subcontractor will secure and pay for background checks for its employees in accordance with applicable state statutes necessary for the proper execution and completion of Subcontractor's work. Subcontractor will specifically incorporate by reference the foregoing provision with all of its lower-tier subcontractors.

21. HONEYWELL EQUIPMENT

In the event Subcontractor's scope of work covers the receipt of Honeywell furnished equipment, Subcontractor will be required to make a thorough inspection of the packaging and equipment prior to signing a bill of lading with the carrier. A report of the "as delivered" condition is to be furnished to Honeywell. If the packaging or equipment is damaged, Subcontractor will not sign a bill of lading and Honeywell will be notified immediately. Subcontractor's failure to properly inspect the packaging and equipment for visual damage and provide documentation of the "as delivered" condition may result in damages associated with equipment as well as any resulting delays.

22. FLOW UP WARRANTY

Subcontractor agrees to warrant or guarantee the Subcontract Work to the same extent that Honeywell is obligated to warrant or guarantee the entire Project under Honeywell's contract with its customer, but in no event will Subcontractor warrant or guarantee its work against any defects for less than one year after final completion of Honeywell's contract with its customer.

23. PROTECTION OF PARTIAL WORK

Subcontractor agrees to protect partially completed work on the job and equipment or materials left at the job site and to be financially responsible for any damage occasioned by Subcontractor's failure to do so.

24. INDEMNIFICATION

Subcontractor will, at its expense, defend, hold harmless and indemnify Honeywell and its subsidiaries, affiliates, and agents, and their respective officers, directors, shareholders, employees, and customers (collectively "Indemnitees") from and against any and all loss, cost, damage, claim, or liability, including reasonable attorney and professional fees and costs, and the cost of settlement, compromise, judgment, or verdict ("Loss") incurred by or demanded of an Indemnitee arising out of, resulting from or occurring in connection with Subcontractor Work (including any employment-related Loss arising out of, resulting from or occurring in connection with the performance), the acts, omissions, negligence or willful misconduct of Subcontractor or its personnel, Subcontractor's breach of the terms of this POSA, or any theft or other misappropriation of Honeywell's or its personnel's information, property or funds by Subcontractor or its personnel. Indemnitee may participate in the defense or negotiations to

protect its interests. Subcontractor will not enter into any settlement or compromise without Honeywell's prior written consent, which will not be unreasonably withheld. Subcontractor's indemnification includes claims between the Parties including legal fees. If Honeywell is obligated to pay any Loss or any damages pursuant to its contract with a customer, then Subcontractor will be liable for such Loss or any damages to the extent Subcontractor causes or contributes to such Loss or any damages. Nothing in this Section limits Honeywell's right to claim all actual damages sustained by Honeywell as a result of Subcontractor-caused delays. All Honeywell remedies set forth in Subcontract are in addition to, and will in no way limit, any other rights and remedies that may be available to Honeywell at law or in equity.

25. INCIDENTAL DAMAGE OBLIGATION

Subcontractor agrees to be responsible for all incidental damage and expense, relating to the Subcontract Work, caused by Subcontractor, including, but not limited to: cleaning up and removal of rubbish and debris, cleaning of soiled walls, floors and other surfaces, patching damaged plaster and replacing broken glass.

26. PERSONNEL

Subcontractor will assign qualified personnel to perform the services and will ensure that its personnel devote sufficient time and effort to performing the services as necessary to complete all services in accordance with this POSA. Subcontractor will bear all liability for the acts or omissions of the personnel assigned to perform the services. If Honeywell determines that any Subcontractor personnel performing services are unacceptable, Honeywell will notify Subcontractor and Subcontractor will take prompt, appropriate corrective action, which may include, at Honeywell's request, replacing the personnel. Subcontractor will pay all costs associated with replacing the personnel. If Subcontractor refuses to replace any of its personnel upon Honeywell's request, Honeywell may immediately terminate this POSA.

27. INSPECTION

If, in Honeywell's exclusive judgment, Subcontractor is failing to satisfactorily perform any aspect of the Subcontract Work, Honeywell may, at no extra cost to itself and at its sole option:

- A. Require Subcontractor to correct, replace or re-execute faulty or defective work done or materials furnished;
- B. Require Subcontractor to increase the number of workers assigned to the job and to use overtime labor or work on Saturdays, Sundays or holidays to complete the Subcontract Work on schedule; or
- C. Terminate this POSA and complete or correct the Subcontract Work or retain others to do so. In this event, Honeywell may require materials of the

Subcontractor to be left on the job site for use in completing or correcting the Subcontract Work.

Subcontractor will be responsible for all costs or expenses incurred by Honeywell as a result of Subcontractor's failure to satisfactorily perform.

28. AUDIT AND RECORDS

- A. Records. Subcontractor will retain and preserve all records and materials, including invoice records, pertaining to this Agreement, for a period of ten (10) years after the final delivery, expiration or termination of this Agreement, or for the period prescribed by applicable law, whichever period is longer. Thereafter, Subcontractor will not destroy or dispose of or allow the destruction or disposition of such records and materials without first offering, in writing, to deliver such records and materials or copies thereof to Honeywell at Honeywell's expense. If Honeywell fails to request such records and materials within 90 days after receipt of the written offer, Subcontractor may destroy or dispose of such records and materials. Subcontractor will require each of its sub-tier suppliers to do likewise with respect to their records and materials.
- B. Audit. At any time during the term of this Agreement and for ten (10) years following the expiration or termination of this Agreement, or for the period prescribed by applicable law, whichever period is longer, Honeywell (or its duly authorized agents) may, upon prior written notice to Subcontractor, audit Subcontractor's books and records to verify Subcontractor's compliance with its obligations under this Agreement. With regard to any information provided by Subcontractor that is not otherwise publicly available or owned or licensed by Honeywell, Honeywell will use such information only for purposes of determining Subcontractor's compliance with this Agreement. Subcontractor will provide, and will require each of its sub-tier suppliers to provide, Honeywell access to Subcontractor's and Subcontractor's sub-tier supplier's books, other pertinent records, and any other information as requested by Honeywell's auditors at no cost to Honeywell during normal working hours. During the audit, if any invoice submitted by Subcontractor is found to be in error, an appropriate adjustment will be made to the invoice or the next succeeding or new invoice following the discovery of the error and the resulting payment or credit will be issued promptly. Subcontractor will promptly correct any deficiencies discovered as a result of the audit.

At Honeywell's request, Subcontractor will provide Honeywell's auditors or designated independent credit rating firm with financial statements (including, but not limited to, balance sheet, profit loss statement, etc.; quarterly/annual), along with a certificate of an Officer of Subcontractor responsible for the preparation of such financial statements, attesting to the accuracy and completeness of such financial statements, and certifying that Subcontractor is in good financial condition and is not in default with respect to any obligations, including, without limitation, to its lenders and suppliers.

29. EARLY TERMINATION

Honeywell may terminate this POSA without cause prior to completion. If it does so, Honeywell's sole liability to Subcontractor will be limited to Subcontractor's out-of-pocket costs for labor and material for the actual work performed by Subcontractor to the date of termination, which must be supported by reasonable and sufficient backup data (invoices and payroll records) substantiating Subcontractor's right to payment, plus reasonable and agreed upon (by Honeywell) overhead and profit to the date of termination. Under no circumstances will Subcontractor be entitled to recover lost profit or any damages from Honeywell as a result of the early termination.

30. STOP WORK

At any time by written notice and at no cost, Honeywell may require Subcontractor to stop all or any part of the work under this Agreement or any Purchase Order or any Statement of Work issued pursuant to it, for up to 120 days ("**Stop Work Order**"), and for any further period as Subcontractor and Honeywell may agree. Immediately upon receipt of the Stop Work Order, the Subcontractor will comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work stoppage. During the Stop Work Order period, the Subcontractor will protect, store and secure such goods, materials, components or the works as well as any tools used for Deliverables production against any deterioration, loss or damage. Immediately upon receipt of a Stop Work Order, the Subcontractor will comply with its terms. At any time during the Stop Work Order period, Honeywell may, in whole or in part, either cancel the Stop Work Order or terminate this Agreement or any Purchase Order or any Statement of Work issued pursuant to it, upon written notice with no liability except for any Services and Deliverables delivered and accepted by Honeywell prior to the effective date of termination. To the extent the Stop Work Order is canceled or expires, Subcontractor must immediately resume work.

31. SETOFF AND RECOUPMENT

Honeywell has the right to deduct any amount it determines is owing from Subcontractor to Honeywell as a setoff against any amount owing from Honeywell to Subcontractor and/or to exercise the right of recoupment, to the full extent permitted

by applicable law. Nothing in this provision precludes Subcontractor or Honeywell from utilizing the dispute resolution procedures identified elsewhere in this Agreement.

32. CONFIDENTIAL INFORMATION

A. All information, including without limitation specifications, samples, drawings, materials, know-how, designs, processes, and other technical, business, or financial information, that:

1. has been or will be supplied to Subcontractor by or on behalf of Honeywell; or
2. Subcontractor will design, develop, or create in connection with this POSA; as to individual items or a combination of components or both, and whether or not completed, and all derivatives of (1) and (2) that Subcontractor has or will design, develop or create are deemed to be "Confidential Information" of Honeywell.

All Confidential Information is work made for hire and made in the course of services rendered. All rights to it belong exclusively to Honeywell.

B. Honeywell's Confidential Information will remain the property of Honeywell. It may not be used by Subcontractor for any purpose other than for performing this POSA, may not be disclosed to any third party, and will be returned to Honeywell upon the earlier of Honeywell's written request or completion of this POSA. If, with Honeywell's prior written approval, Subcontractor furnishes Confidential Information to a sub-tier supplier, Subcontractor will bind the sub-tier supplier to confidentiality requirements substantially identical to this provision and Subcontractor will remain responsible to Honeywell for any breach of this provision by its sub-tier suppliers. No disclosure, description or other communication of any sort will be made by Subcontractor to any third person of the fact of Honeywell's purchase of Subcontract Work under this POSA, the terms of this POSA, the substance of any discussions or negotiations concerning this POSA, or either Party's performance under this POSA. This Section survives the termination or cancellation of this POSA.

C. Subcontractor agrees to and shall comply with Honeywell's Data Privacy Obligations for Suppliers published at <https://www.honeywell.com/en-us/company/integrity-and-compliance> and herein, the terms of which are incorporated into this POSA by reference.

D. Without limiting any other rights Honeywell might have under this POSA, Subcontractor grants Honeywell and its subsidiaries and affiliates access to and a perpetual, irrevocable, non-exclusive, worldwide, fully paid up right to retain, transfer, duplicate, analyze, modify, prepare derivative works and otherwise use for any purpose all data inputted, uploaded or transferred in relation to, or which is collected by, the Goods and any related products or services ("Goods Data"). Goods Data is Honeywell Confidential Information. This Section survives termination of this POSA.

33. PEOPLE'S REPUBLIC OF CHINA STATE SECRET

If Subcontractor is organized under the laws of the People's Republic of China, Subcontractor hereby represents and warrants to Honeywell that (i) it has not disclosed, and will not disclose to Honeywell in any manner any information that would be considered a state secret of the PRC ("PRC State Secret") unless authorized to do so in accordance with the PRC laws and regulations; (ii) if Subcontractor is duly authorized to disclose any PRC State Secret, prior to its disclosure, it will obtain Honeywell's written consent and complete all the requisite government approval and identification processes; (iii) if any information that Subcontractor has disclosed to Honeywell is later determined as a PRC State Secret, it will notify Honeywell in writing immediately, advise and assist Honeywell in taking all the necessary measures to ensure the appropriate protection or disposal thereof in full compliance with the PRC laws and regulations; and (iv) Subcontractor will indemnify Honeywell for any damages resulting from its disclosure of any PRC State Secret to Honeywell in violation of the PRC laws or regulations or this Agreement. Honeywell hereby disclaims any intent to receive, accept, access or use any PRC State Secret.

34. ASSIGNMENT

This POSA will be binding on Subcontractor and its respective permitted successors and assigns. Subcontractor will not assign this POSA or any rights or obligations under this POSA or subcontract all or any aspect of the work called for without the prior written approval of Honeywell. Any transfer of this POSA by Subcontractor by merger, consolidation, dissolution, or any change in ownership or power to vote a controlling share of the voting stock in Subcontractor will constitute an assignment for the purposes of this POSA. Any assignment or subcontract without Honeywell's written approval will be voidable at the option of Honeywell. Honeywell may assign this POSA or any of its rights or obligations under this POSA to any of its subsidiaries or affiliates, or to any purchaser or successor to all or substantially all of the assets of the Honeywell product line or business to which this POSA relates without Subcontractor's consent and upon written notice to Subcontractor.

35. RELATIONSHIP OF PARTIES

Nothing in this POSA will be construed to place Subcontractor and Honeywell in an agency, employment, franchise, joint venture, or partnership relationship. Neither Party has the authority to obligate or bind the other in any manner. Nothing contained in this POSA will give rise or is intended to give rise to rights of any kind to any third parties. Neither Party will make any representation to the contrary. The Parties agree that Subcontractor will perform its obligations under this POSA as an independent contractor. Subcontractor will be solely responsible to exercise full control of, supervision over and responsibility for Subcontractor's personnel, its subcontractors, or its agents, and any employee of any of the foregoing, including the employment, direction, compensation and discharge of Subcontractor's personnel, its subcontractors or its agents and any employee of any of the foregoing as well as compliance with workers' compensation, unemployment, disability insurance, social security, withholding and all other laws, rules, codes, regulations and ordinances governing such matters.

36. SMALL BUSINESS OBLIGATIONS

Honeywell has committed, in connection with certain of its contracts with the U. S. Government, to award subcontract work to small business concerns. As part of this commitment, Honeywell has agreed to include FAR 52.219-8 in its subcontracts that offer further subcontracting opportunities. Accordingly, to satisfy this obligation, Honeywell requires subcontractors to comply with FAR 52.219-8 if the subcontract offers further subcontracting opportunities. For ease of reference FAR 52.219-8 (Utilization of Small Business Concerns) is set forth as follows: <https://www.acquisition.gov/far/52.219-8>.

37. GOVERNMENT WARRANTIES

- A. Subcontractor hereby certifies, for itself and all of its lower-tier subcontractors that as of the date of the execution of this POSA, the Subcontractor, nor any lower-tier subcontractors, nor any suppliers are under suspension or debarment by any governmental entity, instrumentality or authority.
- B. Subcontractor's obligations pursuant to this provision are ongoing from and after the effective date of this POSA through the termination date. Accordingly, the Subcontractor will have an obligation to inform Honeywell if, at any time during the term of this POSA, it or any of its lower-tier subcontractors are suspended or debarred by any governmental entity, instrumentality or authority. Notification will be made within fifteen (15) days of the date of suspension or disbarment.
- C. The failure of the Subcontractor to notify Honeywell of any suspension or debarment by any

governmental entity, instrumentality or authority will constitute an event of default of this POSA with Honeywell.

38. DISPUTE RESOLUTION

- A. Except as otherwise set forth below, any dispute arising out of or relating to this POSA will be finally resolved by a sole arbitrator in accordance with the Center for Public Resources Institute for Dispute Resolution Rules for Non-Administered Arbitration then currently in effect. The arbitration will be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The place of arbitration will be at a location specified by Honeywell.
- B. Either Party may apply to the arbitrator seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either Party also may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that Party, pending the arbitrator's determination of the merits of the controversy. Any dispute involving intellectual property rights will be adjudicated before a court of competent jurisdiction and this Section will not be binding on either Party with respect to the dispute in its entirety or any related dispute, including any portions of the dispute that do not concern intellectual property rights.
- C. Subcontractor agrees, at Honeywell's sole discretion, to join and to participate in any dispute resolution process required by Honeywell's contract with the customer if any dispute relates to Subcontractor's work. In the event that the Subcontractor makes a claim for additional compensation or any other relief that, in Honeywell's sole judgment, arises out of acts or conditions for which Honeywell's customer may be responsible, Subcontractor will participate in the dispute resolution process with the Honeywell customer and agree to be bound by the results.

39. APPLICABLE LAW

This POSA will be governed by the laws of the state where the subcontract work is performed, unless otherwise specified on the face of the purchase order.

40. COMPLIANCE WITH LAWS AND INTEGRITY

Subcontractor will comply with all laws, orders, rules, regulations and ordinances and Honeywell's Supplier Code of Business Conduct ("**Code**") in performing this Agreement. A

copy of the Code may be obtained at <https://www.honeywell.com/who-we-are/integrity-and-compliance>. Subcontractor agrees to abide by the Code and maintain an integrity and compliance program that encompasses at a minimum the standards of business conduct set forth in the Code and that effectively prevents and corrects ethical violations and maintains compliance with laws. Subcontractor and its employees, agents, representatives and subcontractors have not made or received, and will not make or receive, directly or indirectly, any payments, loans, gifts, favors or other special consideration or form of compensation (a) to or from Honeywell, to its employees, agents or representatives, other than payments set forth in this Agreement or other written contractual agreement between Subcontractor and Honeywell; or (b) to or from any third party for the purpose of influencing the performance by Subcontractor or Honeywell of its respective duties hereunder. Subcontractor warrants it has and will comply with the U.S. Foreign Corrupt Practices Act, UK Bribery Act, and similar anti-bribery legislation or requirements. A breach of this provision will be deemed a material breach of this Agreement and grounds for termination of this Agreement.

Subcontractor will indemnify and hold harmless Honeywell from and against any and all loss, cost, expense (including reasonable attorney and professional fees), claims, damage, or liability arising out of or resulting from or occurring in connection with Subcontractor's breach of this Section.

Subcontractor acknowledges that in the event of Subcontractor's breach of its obligations, warranties and representations under this Section, Honeywell may suffer damage to its reputation and loss of business which is incapable of accurate estimation.

41. SEVERABILITY

If any part of this POSA is held to be illegal, invalid, or unenforceable by a court of competent jurisdiction, the Parties agree that the court will construe the provision in a manner that renders the provision valid and enforceable to the fullest extent possible under the law of the applicable jurisdiction and that the remaining provisions will remain in full force and effect.

42. US EQUAL EMPLOYMENT OPPORTUNITY REGULATIONS

To the extent employment activities of Subcontractor occur in the United States and if otherwise applicable this Subcontractor and any subcontractors shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national

origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.

43. CONFLICT MINERALS COMPLIANCE

Subcontractor will comply with applicable "**Conflict Minerals**" laws relating to the sourcing of products containing tin, tungsten, tantalum or gold ("**3TG**") originating from Conflict Affected and High-Risk Areas ("**CAHRAs**") including the Democratic Republic of the Congo and adjoining countries. Subcontractor will have in place a supply chain policy and processes to undertake (1) a reasonable inquiry into the country of origin of Conflict Minerals incorporated into Goods it provides to Honeywell; (2) due diligence of its supply chain, as necessary, to determine if Conflict Minerals sourced from CAHRAs directly or indirectly finance the conflict in the CAHRAs, and (3) risk assessment and mitigation actions necessary to implement the country of origin inquiry and due diligence procedures. Upon request, Subcontractor will provide to Honeywell disclosures regarding the use of Conflict Minerals in any Goods provided by Subcontractor to Honeywell, in the form reasonably requested by Honeywell, and will provide such additional related information and documentation as Honeywell may reasonably request to evidence Subcontractor's compliance with this Section. Subcontractor will take all other measures as are necessary to comply with Conflict Minerals regulations, as they may be amended over time.

44. UNAUTHORIZED PARTS

"**Contaminated Good**" is a Good that is or contains an Unauthorized Part.

"**Unauthorized Parts**" refers to any part, including software or firmware, whether or not embedded, that has been: (a) represented, identified, or marked as genuine, whether or not knowingly, but is an illegitimate (i) imitation, (ii) substitute, or (iii) copy; (b) knowingly misrepresented as new or compliant with specifications, including without limitation, of a grade, serial number, lot, date code, or meeting performance characteristics that it does not; (c) without Honeywell's prior written approval, returned from another customer, used, refurbished, or reclaimed; or (d) suspected of being any of the foregoing by visual inspection, testing, or other information.

- A. Upon Honeywell discovering that Subcontractor has delivered to Honeywell a Contaminated Good, Honeywell will impound such Contaminated Good and provide notice to Subcontractor of such action.

Subcontractor will promptly notify Honeywell upon Subcontractor discovering that Subcontractor has, or suspects that it may have, delivered to Honeywell a Good that is or

contains a Contaminated Good. Subcontractor will immediately impound Contaminated Goods in its possession.

Promptly upon the occurrence of either of the two events mentioned above, Subcontractor will, at Subcontractor's sole cost and expense, replace such Contaminated Good with a Good that meets applicable specifications and is not a Contaminated Good.

- B. Subcontractor will defend and indemnify Honeywell from all loss, cost, expense, damage, claim, demand, or liability relating to Subcontractor's delivery of Contaminated Goods, including without limitation Honeywell's external and internal costs of removing and replacing Unauthorized Parts or Contaminated Goods, of reinserting replacement parts, and of any testing necessitated by the reinstallation of Subcontractor's Goods after Unauthorized Parts have been exchanged.
- C. Honeywell may at its election and in addition to any other rights or remedies it may have under this Agreement, at law, or in equity, have the Contaminated Goods repaired, replaced, or corrected at Subcontractor's expense, or sourced from an alternate source at Subcontractor's expense if Subcontractor does not repair, replace, or correct Contaminated Goods promptly. Subcontractor is responsible for all related costs, expenses, penalties, and damages, including without limitation: the costs of repairing, replacing, or correcting Contaminated Goods; the costs of removal, disassembly, failure analysis, fault isolation, overhaul, upgrade, reinstallation, re-inspection, and retrofit of the Contaminated Goods or of Honeywell's affected end-product; all freight charges; all customer charges; labor costs, including engineering costs, travel and lodging; and all corrective action costs (e.g. costs of additional inspection or quality-control systems). Unless set off by Honeywell, Subcontractor will reimburse Honeywell for all such costs upon receipt of Honeywell's invoice.
- D. When requested by Honeywell, Subcontractor will provide documentation that authenticates traceability to the authorized source of the applicable manufacturers utilized by Subcontractor for all parts provided under this Agreement. Subcontractor will immediately notify Honeywell of any changes in Subcontractor's sources of supply for Goods awarded on this Agreement when the sources are other than an authorized source, including but not limited to any changes to Subcontractor's authorized franchised distributor status or other changes from authorized sources to unauthorized sources. Subcontractor's failure to

provide notice is a material breach of this Agreement. In the event of such breach, Honeywell may at its sole option terminate this Agreement or any Purchase Order and elect an alternate supplier at Subcontractor's expense and in accordance with the Termination provision herein.

45. IMPORT AND EXPORT COMPLIANCE

- A. Import. In the event government authorities declare or otherwise impose countervailing duties, antidumping duties, or retaliatory duties on the goods imported under this Agreement Honeywell reserves the right to terminate this Agreement in accordance with the Termination provisions.
- B. Export. Subcontractor will comply with all export laws and regulations of all countries involved in transactions associated with this Agreement.

If the receiving Party receives hardware, technical information, manufacturing drawings, specifications, software or similar type items from the disclosing Party, it is the responsibility of the receiving Party to ensure compliance with all U.S. export laws and regulations, as well as all applicable local export laws and regulations if the receiving Party is located outside the U.S., in the performance under this Agreement. These laws include, but are not limited to, (a) Section 38 of the Arms Export Control Act as enumerated in 22 CFR Parts 120-130, the International Traffic in Arms Regulations ("ITAR"), and (b) Exports Controls Act of 2018, as amended in 15 CFR Parts 730-774 of the Export Administration Regulations ("EAR"), and all applicable local export laws and regulations if the receiving Party is located outside the U.S.

No hardware, technical information, manufacturing drawings, specifications, software or similar type items whose export is controlled by the U.S. Department of State or the U.S. Department of Commerce will be transferred, disclosed or exported to "Foreign Persons," as defined in the above-stated laws and regulations, without specifically obtaining approvals from the U.S. Department of State's Office of Defense Trade Controls or from the U.S. Department of Commerce's Bureau of Industry and Security, as required.

If the receiving Party intends to transfer, disclose or export any of the disclosing Party technical information, manufacturing drawings, specifications, software or similar type items to any Foreign Persons, prior written authorization of the disclosing Party must be obtained prior to the receiving Party obtaining U.S. Government licenses or other approvals as stated above. The receiving Party agrees to abide by all limitations and provisos and/or riders and conditions listed on any licenses or other approvals issued by the U.S. Department of State or the U.S. Department of Commerce.

46. NON-MILITARY END USER AND END USE CERTIFICATION

In order to satisfy U.S. export control laws, Subcontractor confirms that it is not an entity that meets the definition of a military end user in China (including, Hong Kong and Macau), Russia, Belarus, Myanmar/Burma, Venezuela, or Cambodia (“**Military End User**”) or sells items that support or contribute to a Military End Use by a Military End User. Military End User includes any entity that is part of the national armed services (army, navy, marine, air force, or coast guard), as well as the national guard and national police, government intelligence or reconnaissance organizations, or any person or entity whose actions or functions are intended to support “military end uses.” “**Military End Uses**” includes use of an item to support or contribute to the operation, installation, maintenance, repair, overhaul, refurbishing, development, or production of military items. In addition, if and as applicable, Subcontractor will not divert or in any way utilize or sell products, materials, or technology/technical information/specifications supplied by or on behalf of Honeywell to Subcontractor under or in connection with this Agreement to/for any entity which is a Military End User or for Military End Uses by a Military End User. Should the foregoing occur, Subcontractor will immediately notify Honeywell and cease all activities associated with the transaction in question if it knows or has a reasonable suspicion that such products, materials, technical information, plans, or specifications may be exported, reexported, or transferred to a Military End User or in support of a Military End Use by a Military End User. Subcontractor’s failure to comply with this provision will be deemed a material breach of this Agreement. Notwithstanding anything to the contrary in this Agreement, Honeywell may take any and all actions required to ensure full compliance with applicable export control laws without Honeywell incurring any liability.

47. GENERAL SANCTIONS CLAUSE

Subcontractor represents, warrants, and agrees that:

Subcontractor is not a “Sanctioned Person,” meaning any individual or entity: (1) named on a governmental denied party or restricted list, including but not limited to: the Office of Foreign Assets Control (“OFAC”) list of Specially Designated Nationals and Blocked Persons (“SDN List”), the OFAC Sectoral Sanctions Identifications List (“SSI List”), and the sanctions lists under any other Sanctions Laws; (2) organized under the laws of, ordinarily resident in, or physically located in a jurisdiction subject to comprehensive sanctions administered by OFAC (currently Cuba; Iran; North Korea; Syria; and the Crimea, People’s Republic of Donetsk, and People’s Republic of Luhansk regions of Ukraine/Russia) (“Sanctioned Jurisdictions”); and/or (3) owned or controlled,

directly or indirectly, 50% or more in the aggregate by one or more of any of the foregoing.

Relating to this Agreement, Subcontractor is in compliance with and will continue to comply with all economic Sanctions Laws administered by OFAC, other U.S. regulatory agencies, the European Union and its Member States, the United Kingdom, and the United Nations (“Sanctions Laws”). Subcontractor will not involve any Sanctioned Persons in any capacity, directly or indirectly, in any part of this Agreement and performance under this Agreement. Subcontractor will not take any action that would cause Honeywell to be in violation of Sanctions Laws.

Subcontractor will not sell, export, re-export, divert, use, or otherwise transfer any Honeywell products, technology, software, or proprietary information: (i) to or for any Sanctioned Persons or to or involving Sanctioned Jurisdictions; or (ii) for purposes prohibited by any Sanctions Laws. Subcontractor will not source any components, technology, software, or data for utilization in Honeywell products or services: (i) from any Sanctioned Persons or Sanctioned Jurisdictions or (ii) in contravention of any Sanctions Laws.

Subcontractor’s failure to comply with this provision will be deemed a material breach of the Agreement, and Subcontractor will notify Honeywell immediately if it violates, or reasonably believes that it will violate, any terms of this provision. Subcontractor agrees that Honeywell may take any and all actions required to ensure full compliance with all Sanctions Laws without Honeywell incurring any liability.

48. LANGUAGE

This Agreement is in English, which will be the controlling language in all respects. Any other language version is intended for reference only. In the event of any conflict or discrepancy between language versions, the English version will prevail. English will be used for all oral and written communications between the Parties, including deliverables required under this Agreement. Pursuant to the rights available under this Agreement, if Honeywell requires Subcontractor’s internal documentation, and such internal documentation is not in English, Subcontractor will either translate such documents to English or will make professional translation services by a third-party approved by Honeywell available to Honeywell, both free of charge to Honeywell and at Honeywell’s option.

Date: _____

Project Name: _____ Project/Job Number: _____

I, _____ do hereby state:

(Name of Signatory Party) (Title)

1. I pay or supervise the payment of the persons employed by _____ on the above referenced project; that during the payroll period commencing on the ____ day of _____

_____ and ending on the ____ day of _____, all persons employed on the project have been paid the full weekly wages earned, that no rebates have been or will be made either directly or indirectly to or on behalf of _____ from the full weekly wages earned by any person, and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 CFR Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended.

2. Any payrolls required to be submitted under this agreement for the above period are correct and complete; that the wage rates for laborers or mechanics are not less than the applicable wage rates contained in any wage determination incorporated into this agreement; that the classifications set forth for each laborer or mechanic conform with the work performed.

3. Any apprentices employed in the above work are duly registered in a bona fide apprenticeship program registered with a state apprenticeship agency recognized by the Bureau of Apprenticeship and Training, United States Department of Labor, or if no recognized agency exists in a state, are registered with the Bureau of Apprenticeship and Training, United States Department of Labor.

4. That:

A. Where fringe benefits are paid to approved plans, funds or programs – in addition to the basis hourly wage rates paid to laborer(s) or mechanic(s) listed in the above referenced payroll, payments of fringe benefits have been or will be made to appropriate programs for the benefit of the employees, except as noted in Section 4 C below.

B. Where fringe benefits are paid in cash – each laborer or mechanic listed in the above referenced payroll has been paid as indicated on the payroll an amount not less than the sum of the applicable hourly wage rate plus the amount of the required fringe benefits, except as noted in Section 4 C below.

C. Exceptions:

Exception (Craft)	Explanation

Initial: Subcontractor: _____ Honeywell: _____

(Printed Name and Title)

(Signature)

The willful falsification of any of the above statements may subject the subcontractor to civil or criminal prosecution. See Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code

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Contractor: _____

.Name:				Address:															
Payroll No.			For Week Ending:				Project and Location:					Project/Job Number:							
(1) Name and Address of Employee	(2) No. Of Withholding	(3) Work Classification	ST or OT	(4) Day and Date							(5) Total Hours	(6) Rate of Pay	(7) Gross Amount Earned	(8) Deductions				(9) Net Wages Paid For Week	
				M	T	W	T	F	S	S				FICA	With-Holding Tax				Total Deductions
				Hours Worked Each Day															
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