## Honeywell

# US & CANADA CONDITIONS OF SALE – SENSING & SAFETY TECHNOLOGIES

- **1.** Applicability. Purchase orders placed by Company ("Order") for the purchase of: (a) products, including without limitation, end items, line replaceable units and components thereof and those returned for repair, overhaul, or exchange (collectively referred to as "Products") or, (b) services to support a defined customer requirement ("Services") will be governed solely by these conditions of sale ("Agreement"), unless and to the extent that a separate contract is executed in writing between Company and Honeywell Sensing & Safety Technologies ("Honeywell"). Company is defined as the procuring party, Honeywell is defined as the selling party, and Company and Honeywell are collectively referred to as the "Parties" and individually as a "Party." This Agreement will apply to all Orders for Products or Services whether or not this Agreement is referenced in the Order. In the event a separate contract incorporating this Agreement is executed between the Parties, where applicable, references to "Order" within this Agreement may refer to the contract between the Parties. Certain special terms to this Agreement are set forth in Attachment A hereto. Unless otherwise noted in Attachment A, each shall be read together with the corresponding section of this Agreement. Any conflict in the provisions of the Agreement shall be resolved by giving precedence in the following order: (i) the separate written agreement between Honeywell and Company (if any); (ii) Attachment A; and (iii) the Agreement.
- 2. Orders. Orders are subject to acceptance by Honeywell and are non-cancelable by Company, including any revised and follow-on Orders, and will be governed by the terms of this Agreement. Honeywell may in its sole discretion accept an Order cancellation request made by Company and the Order cancellation may be subject to payment of cancellation charges or fees as determined by Honeywell. Without prejudice to the generality of the preceding sentence, Honeywell does not accept cancellations for custom or specially manufactured Products, or for non-stocked Products. Orders will specify: (a) any relevant contract or agreement, (b) Order number, (c) Honeywell's Product part number or quotation number as applicable, including a general description of the Product; (d) requested delivery dates; (e) applicable price; (f) quantity; (g) location to which the Product is to be shipped; and (h) location to which invoices will be sent for payment. Orders are subject to acceptance or rejection by Honeywell. Honeywell's acknowledgment of receipt of an Order will not constitute acceptance of such order. Any conflicting, additional, and/or different terms or conditions on Company's Order or any other instrument, agreement, or understanding are deemed

- to be material alterations and are rejected and not binding upon Honeywell. Honeywell's acceptance of Company's Order is expressly conditioned upon Company's assent to the terms and conditions contained herein in their entirety. Company's acceptance of delivery or performance from Honeywell constitutes Company's acceptance of these terms and conditions in their entirety. A valid Order number is required before processing; any Order received without one will be returned to the Company. Company may not modify an Order without written consent from Honeywell, subject in full to: (i) Honeywell's right to accept or reject such request in its sole discretion and (ii) any price or schedule modification that may be required by the change request, as determined by Honeywell in its sole discretion.
- **3. Delivery**. Except as provided in a Honeywell quotation, order acknowledgement or invoice or otherwise provided by Honeywell in writing, delivery terms are FCA (Incoterms® 2020), Honeywell's or Honeywell-designated facility. However, if delivery terms are agreed by Company and Honeywell in writing, such agreed-upon terms shall apply. Where applicable based on applicable delivery terms, Honeywell shall invoice Company for any and all shipping, handling, customs, insurance or similar charges incurred by Honeywell in shipping Products to Company, and Company shall pay such charges pursuant to the agreed-upon payment terms. Honeywell also reserves the right to ship Products to Company freight collect. Honeywell will schedule delivery in accordance with its standard lead time unless the Order states a later delivery date or Honeywell otherwise agrees in writing. Delivery dates are estimates and not firm delivery dates. Honeywell reserves the right to assess an expedite fee for orders requested to be shipped prior to Honeywell's standard lead time, subject to availability. Honeywell reserves the right to ship orders earlier than scheduled delivery dates. Company may opt out of this early delivery by sending a written opt-out request to the attention of the Honeywell Customer Service Manager, which opt-out will be effective upon written confirmation by Honeywell. Deliveries may be made in partial shipments. If Honeywell prepays charges for transportation or any special routing, packing, labelling, handling, or insurance requested by Company, Company will reimburse Honeywell upon receipt of an invoice for those charges. Title will pass to Company upon delivery in accordance with the delivery terms set forth above. Company shall be liable for any delays or increased costs incurred by Honeywell caused by or related to Company's acts or omissions.



Services shall include providing skilled labor, materials, tools and parts related to gas detection equipment, per the terms of the Service Program selected. Engineering services, technological improvements and upgrades are not part of this Agreement. Company shall bear the costs of services (e.g., electrician) and materials (e.g., conduit) that are the result of inappropriate use, modifications, alterations, acts of vandalism, damages caused by fire, water, accidents, obsolete systems catastrophes or other acts of God. Company agrees to give Honeywell safe and reasonable access to the work site. Company shall provide scaffoldings and if required, ladders or lifting equipment, personal protection equipment and any other equipment permitting access to the site as required by health and safety laws and shall bear the cost. If equipment is not available to Company, then Honeywell must be notified and arrangements made, with Company to bear the cost. All service calls not within Honeywell's responsibility in accordance with this Agreement or those for which Honeywell is unable to perform the service because access to equipment as referred to in this Agreement is not possible, shall be billed to Company, over and above the costs pertaining to this Agreement.

- **4.** Company Caused Delay. Honeywell is not liable for any delays or increased costs caused by Company or Companydesignated third parties, including but not limited to Company's suppliers, agents and subcontractors. Company or Company-designated third party causes any delay, Honeywell is entitled to adjust price, schedule, and other affected terms. Company or Company's designated third party will notify Honeywell immediately upon becoming aware of any circumstances that may cause a delay in delivery of Products or performance of Services under any accepted Order; such notification will not relieve Company of any liability for breach of its obligations under this Agreement. If delivery of Products, Services, or other information necessary for performance of the Agreement is delayed due to conduct of Company or Company-designated third party, then Honeywell may store Products at Company's risk and expense and may charge Company for the delay.
- 5. Acceptance. (a) Products: Products are presumed accepted upon delivery unless Honeywell receives written notice of rejection from Company explaining the basis for rejection within thirty (30) calendar days after delivery. Rejection shall be based solely upon the failure of the Products to comply with Honeywell's published specifications or such specifications which are mutually agreed in writing by the parties. Company must disposition rejected Product in accordance with Honeywell's written instructions. No Product shall be returned without Honeywell's written consent,

including but not limited to returns and rejections. Authorization for Product returns must be obtained from Honeywell in writing and shall follow Honeywell return processes, policies and fees for the applicable Product line. Honeywell will have a reasonable opportunity to repair or replace rejected Products, at its option, which shall be Company's sole and exclusive remedy for rejected Products by Company. Subject to the terms of the article titled "Taxes", Honeywell assumes shipping costs in an amount not to exceed actual reasonable direct freight charges to Honeywell's designated site for the return of properly rejected Products. Company will provide copies of freight invoices to Honeywell upon request. Following initial delivery, the Party initiating shipment will bear the risk of loss or damage to Products in transit. If Honeywell reasonably determines that rejection was improper, Company will be responsible for all expenses caused by the improper rejection. (b) Services: Company will inspect Services within ten (10) calendar days after delivery or completion of Services, as applicable. Services will be deemed accepted unless Honeywell receives written notice of rejection explaining the basis for rejection within such time. Honeywell will be afforded a reasonable opportunity to correct or re-perform rejected Services, which shall be Company's sole and exclusive remedy for unaccepted Services by Company. Company further agrees that partial or beneficial use of the work by Company prior to final inspection and acceptance will constitute acceptance of the work under this Agreement. If Honeywell reasonably determines that rejection was improper, Company will be responsible for all expenses caused by the improper rejection.

- **6.** Changes. Honeywell may, without notice to Company, incorporate changes to Products that do not alter form, fit, or function. Honeywell may, at its sole discretion, also make such changes to Products previously delivered to Company.
  - Company may request changes to the scope of this Agreement subject to written acceptance by Honeywell. Honeywell will inform Company if the change causes a price modification or a schedule adjustment. The change will be effective, and Honeywell may begin performance upon the Parties' authorized signature of the change order.
- **7.** Prices. All Orders with price deviations or promotional pricing require the appropriate promotion or deviation code; special price requests require written Honeywell approval. Any Orders with price discrepancies that do not contain a promotion or price deviation code will receive a price discrepancy notice from Honeywell Customer Care for resolution. Company will have 48 hours to provide an updated Order or accept Honeywell's pricing (in writing);



otherwise, the Order line and/or Order will be cancelled. Please refer to the Honeywell Price List or Pricing Portal (or consult your Honeywell representative for your specific codes). Prices, terms, conditions, and Product or Service specifications are subject to change without notice. However, Honeywell will endeavor to give at least thirty (30) calendar days written notice of any changes. Pricing is subject to immediate change upon announcement of Product obsolescence. All orders placed after notice of Product obsolescence are noncancelable and nonreturnable. Honeywell reserves the right to monitor Company's orders during the period between notification of and the effective date of the price increase; if Company's order volume during that time period is more than five percent (5%) higher than forecasted or historic purchases, then Honeywell reserves the right to charge the increased price on the excess orders.

Honeywell reserves the right in its sole discretion to require a minimum order value and/or quantity. Honeywell may reject or charge a fee for any Orders that do not meet such requirements. Failure by Honeywell to enforce minimum order requirements shall not be construed to be a continuing waiver of such requirements by Honeywell. Minimum order requirements exclude replacement sensors, cartridges, calibration equipment, gas cylinders, warranty sales orders, samples, repairs, training, and service orders for consumable and restricted parts, including labor items and demo units.

Honeywell may, from time to time and in its sole discretion, issue temporary price modifications and/or surcharges and recover associated costs on new and existing Orders resulting from unforeseen conditions that increase Honeywell's costs. in order to mitigate and/or recover increased operating costs arising from or related to, without limitation: (a) foreign currency exchange variation; (b) increased cost of third-party content, labor and materials; (c) impact of duties, tariffs, and other government actions; and (d) any circumstances that increase Honeywell's costs, including, without limitation, increases in freight, labor, material or component costs, and increased costs due to inflation. Such surcharges or modifications will not be considered a "price increase" as contemplated hereunder and will be effective upon notice to Company. Honeywell will invoice Company pursuant to the standard payment terms in this Agreement If a dispute arises with respect to these charges and that dispute remains open for more than fifteen (15) calendar days, Honeywell may, in its sole discretion, stop delivery or withhold performance or combine any other rights and remedies as may be provided under this Agreement or permitted by law until the dispute is resolved. The terms of this section shall prevail in the event of inconsistency with any other terms in this Agreement. Any charges pursuant to this article, as well as the timing, effectiveness, and method of determination thereof, will be separate from and in addition to any changes to pricing that are affected by any other provisions in this Agreement.

**8.** Payments. Unless Company has been approved for credit terms by Honeywell, payment for all Orders will be made at the time of Order placement. In the event Company has been approved for credit terms, payment for that Order will be due no later than 30 calendar days from the date of the invoice. unless a shorter time period is specified on the invoice or otherwise communicated to Company in writing. Honeywell will determine in its sole discretion if Company qualifies for credit terms. If credit terms are granted, Honeywell may change Company's credit terms at any time in its sole discretion and may, without notice to Company, modify or withdraw credit terms for any Order, including open Orders. Partial shipments will be invoiced as they are shipped. Honeywell is not required to provide a hard copy of the invoice. Payments must be made in U.S. Dollars currency unless agreed otherwise in writing and must be accompanied by remittance detail containing at a minimum the Company's Order number, Honeywell's invoice number and amount paid per invoice; Company agrees to pay a service fee in the amount of \$500 for each occurrence for its failure to include the remittance detail and minimum information described above. Payments must be in accordance with the "Remit To" field on each invoice. If Company makes any unapplied payment and fails to reply to Honeywell's request for instruction on allocation within seven (7) calendar days, Honeywell may set off such unapplied cash amount against any Company past-due invoice(s) at its sole discretion. An unapplied payment shall mean payment(s) received from Company without adequate remittance detail to determine what invoice the payment(s) shall be applied to.

Disputes as to invoices must be accompanied by detailed supporting information and are deemed waived fifteen (15) calendar days following the invoice date. Honeywell reserves the right to correct any inaccurate invoices. Any corrected invoice must be paid by the original invoice payment due date or the issuance date of the corrected invoice, whichever is later

If Company is delinquent in payment to Honeywell, Honeywell may at its option: (a) withhold performance until all delinquent amounts and late charges, if any, are paid; (b) repossess Products or software for which payment has not been made; (c) assess late charges on delinquent amounts at



the lower of 1.5% per month or the maximum rate permitted by law, for each full or partial month; (d) recover all costs of collection, including but not limited to reasonable attorneys' fees; (e) withhold any amounts payable to Company; and (f) combine any of the above rights and remedies as may be permitted by applicable law. The late charge will provide a reasonable compensation to Honeywell for the uncertain damages that Honeywell will incur as the result of Company's late payment. In the event that an invoice: (i) has not been timely and in good faith disputed by Company and (ii) has not been timely paid by Company in accordance with this section, the purchases to which such invoice relates shall be deemed disqualified from any benefits under any program that Company may make available from time to time. These remedies are in addition to those available at law or in equity. Honeywell may re-evaluate Company's credit standing at any time and modify or withdraw credit. This section will survive expiration or any termination of the Agreement. If payment is not made timely or Honeywell reasonably determines in its sole discretion that Company fails to qualify for the above payment terms at any time, then Honeywell may, without notice to Company, suspend production, shipment, or delivery; modify or withdraw credit terms, including but not limited to requiring advance payment or quarantees, or other security; or terminate any program or other benefits.

- **9.** Setoff. Company will not set off or recoup invoiced amounts or any portion thereof against sums that are due or may become due from Honeywell, its parents, affiliates, subsidiaries or other divisions or units.
- **10.** Limited Warranty. (a) Products. Except as provided at <a href="https://hwll.co/0zmo5t">https://hwll.co/0zmo5t</a> or the applicable Product specifications, if such specifications have a shorter time period than indicated at the link above, Honeywell warrants that at time of shipment to Company its Products will comply with applicable Honeywell drawings and, for a period of twelve (12) months after shipment of the Products, will be free from defects in workmanship and material.

Experimental Products (which may be designated by the letter "X" or "E" beginning their part number identification) are prototype, pre-production items that have yet to complete all phases of release testing; these Products are sold "AS IS" WITH NO WARRANTY, and to the maximum extent permitted by applicable law, Honeywell excludes all conditions, warranties and representations, whether express or implied regarding these Products. Any software and software components provided by Honeywell, including any documentation designated by Honeywell for use with such software or software components, are provided "AS IS" and with all faults.

The entire risk as to satisfactory quality, fitness for purpose, performance, accuracy and effort for such software or software components is with the Company. To the maximum extent permitted by applicable law, Honeywell excludes all conditions, warranties and representations, whether express or implied regarding any of its software or software components or any of its accompanying documentation.

Products that are normally consumed in operation or which have a normal life inherently shorter than the foregoing warranty period including, but not limited to, consumables (e.g., flashtubes, lamps, batteries, storage capacitors) are not covered under this warranty. "Nonconformance" means failure to operate due to defects in workmanship or material. Normal wear and tear and the need for regular overhaul and periodic maintenance do not constitute Nonconformance. Company must notify Honeywell in writing during the warranty period of a Nonconformance and, within thirty (30) calendar days of discovery of the Nonconformance, disposition the Product in accordance with Honeywell's written instructions. Honeywell's obligation and Company's sole remedy under this warranty is repair or replacement, at Honeywell's election, of any Product Nonconformance. All Products repaired or replaced are warranted for the unexpired portion of the original warranty period. Nonconforming Products returned transportation prepaid to Honeywell's designated facility will be repaired or replaced, at Honeywell's option, and return-shipped lowest cost, transportation prepaid. All Products must be cleaned and decontaminated prior to return shipment. Honeywell must receive the returned goods within thirty (30) days of Company's notification, or the claim will be cancelled. No Products will be accepted for return without an authorization number obtained in advance of shipment to Honeywell. Round trip shipping costs expressly exclude freight forwarding, taxes, duties, and tariffs. The Party initiating shipment will bear the risk of loss or damage to Products in transit. If Honeywell reasonably determines that a Nonconformance does not exist, Company will pay all expenses related to the improper return including, but not limited to, analysis and shipping charges. Honeywell does not represent that the Product is compatible with any specific third-party hardware or software other than as expressly specified by Honeywell. Company is responsible for providing and maintaining an operating environment with at least the minimum standards specified by Honeywell. Company understands and warrants that Company has an obligation to implement and maintain reasonable and appropriate security measures relating to the Product, the information used therein, and the network environment. This obligation includes complying with applicable cybersecurity standards and best practices, including but not limited to the



Federal Trade Commission consent decrees and other declarations of reasonable and appropriate security measures, the National Institute of Standards and Technology ("NIST") Cybersecurity Framework and NIST Alerts, InfraGard Alerts, and the United States Computer Emergency Readiness Team Alerts and Bulletins, and their equivalents. If a Cybersecurity Event occurs, Company shall promptly notify Honeywell of the Cybersecurity Event. "Cybersecurity Event" shall mean actions taken through the use of computer networks that result in an actual or potentially adverse effect on an information system and/or the information residing therein. Company shall also promptly use its best efforts to detect, respond, and recover from such a Cybersecurity Event. Company shall take reasonable steps to immediately remedy any Cybersecurity Event and prevent any further Cybersecurity Event at Company's expense in accordance with applicable laws, regulations, and standards. Company further agrees that Company will use its best efforts to preserve forensic data and evidence in its response to a Cybersecurity Event. Company will provide and make available this forensic evidence and data to Honeywell. Honeywell shall not be liable for damages caused a Cybersecurity Event resulting from Company's failure to comply with the Agreement or Company's failure to maintain reasonable and appropriate security measures. Company is responsible for all such damages. BUYER ACKNOWLEDGES THAT SELLER HAS NO OBLIGATION TO PROVIDE ANY FORM OF CYBERSECURITY OR DATA PROTECTION RELATING TO THE OPERATION OF THE PRODUCT OR THE NETWORK ENVIRONMENT. BUYER FURTHER ACKNOWLEDGES THAT SELLER HAS NO OBLIGATION TO GUARANTEE CONTINUED OPERATION AND FUNCTIONALITY OF THE PRODUCT BEYOND THE STATED LIFECYCLE OF THE PRODUCT. (b) Services. Honeywell warrants that Services will be performed in a good workmanlike manner consistent with industry practices. This warranty is valid for ninety (90) calendar days from the date Services are performed. Honeywell's obligation and Company's sole remedy under this warranty is to correct or reperform defective Services, at Honeywell's election, if Company notifies Honeywell in writing of defective Services within the warranty period. All Services corrected or reperformed are warranted for the remainder of the original warranty period. (c) Disclaimer. Honeywell will not be liable under this warranty if the Product or the Product associated with Services has been exposed or subjected to any: (1) maintenance, repair, installation, servicing, handling, packaging, transportation, shipping, storage, operation, testing, or use that is improper or otherwise not in compliance with Honeywell's instruction; (2) alteration, modification, or repair by anyone other than Honeywell or those specifically

authorized by Honeywell; (3) act of God, accident, fire or other hazard, contamination, foreign object damage, abuse, misuse, neglect, or negligence after shipment to Company; (4) damage caused by failure of a Honeywell supplied Product not under warranty or by any hardware or software not supplied by Honeywell; (5) failure of electrical power, air conditioning, or humidity control beyond Honeywell's specific storage or shipping conditions; or (6) use of counterfeit or replacement parts that are neither manufactured nor approved by Honeywell for use in Honeywell's manufactured Products. Honeywell has no obligation under this warranty unless Company maintains records that accurately document operating time, maintenance performed, and the nature of the unsatisfactory condition of Honeywell's Product. Upon Honeywell's request, Company will give Honeywell access to these records for substantiating warranty claims. THESE WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT ANY LIMITED TO, **IMPLIED** WARRANTIES MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR PURPOSE, AND NON- INFRINGEMENT OF THIRD PARTY RIGHTS. THE EXPRESS OBLIGATION OF HONEYWELL STATED IN THIS SECTION IS IN LIEU OF ANY OTHER LIABILITY OR OBLIGATION OF HONEYWELL, INCLUDING WITHOUT LIMITATION ANY LIABILITY OR OBLIGATION FOR DAMAGE, LOSS, OR INJURY (WHETHER DIRECT. INDIRECT, EXEMPLARY, SPECIAL. CONSEQUENTIAL, OR INCIDENTAL) ARISING OUT OF OR IN CONNECTION WITH THE DELIVERY. USE. PERFORMANCE OF THE PRODUCTS, EVEN IF INFORMED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. NO EXTENSION OF THIS WARRANTY WILL BE BINDING UPON HONEYWELL UNLESS SET FORTH IN WRITING AND SIGNED BY **AUTHORIZED** HONEYWELL'S REPRESENTATIVE. ADDITIONALLY. THESE WARRANTIES ARE FOR THE BENEFIT OF COMPANY ONLY AND ARE NOT ASSIGNABLE OR TRANSFERABLE. THE EXPRESS WARRANTIES STATED IN THIS SECTION DO NOT APPLY TO PRODUCTS NOT **MANUFACTURED** BY HONEYWELL. SOFTWARE. CONSUMABLE ITEMS (E.G., PAPER AND RIBBONS), OR SPARE PARTS. IN ADDITION, THE EXPRESS WARRANTIES OF HONEYWELL STATED IN THIS SECTION DO NOT APPLY TO ANY SOFTWARE COMPONENT OF A PRODUCT WHICH IS SOLD OR LICENSED SUBJECT TO A SEPARATE LICENSE AGREEMENT OR OTHER DOCUMENT RELATING TO SUCH SOFTWARE COMPONENT (INCLUDING WITHOUT LIMITATION A "SHRINK WRAP" LICENSE AGREEMENT). THE WARRANTIES, IF ANY, APPLICABLE TO ANY SUCH



SOFTWARE COMPONENT SHALL BE SOLELY AS STATED IN SUCH OTHER LICENSE AGREEMENT OR DOCUMENT. SELLER MAKES NO WARRANTIES THAT THE SOFTWARE COMPONENTS OF ANY PRODUCT WILL OPERATE IN CONJUNCTION WITH ANY OTHER SOFTWARE OR WITH ANY EQUIPMENT OTHER THAN THE PRODUCTS.

- 11. Recommendations. Any recommendations or assistance provided by Honeywell concerning the use, design, application, or operation of the Products shall not be construed as conditions, representations, or warranties of any kind, express or implied, and such information is accepted by Company at Company's own risk and without any obligation or liability to Honeywell. It is Company's sole responsibility to determine the suitability of the Products for use in Company's application(s). The failure by Honeywell to make recommendations or provide assistance shall not give rise to any liability to Honeywell. Proper selection, use, maintenance and disposal of Products or Services according to applicable laws, regulations, certifications and standards are Company's responsibility and Honeywell shall have no liability for violation thereof.
- **12. Force Majeure.** Except for payment obligations, neither Party will be liable to the other for any failure to meet its obligations due to any Force Majeure event. "Force Majeure" is an event beyond the reasonable control of the non-performing Party. The following, while not an exclusive listing, shall unless demonstrated clearly to the contrary, be considered not to be within a Party's control or avoidable by exercise of reasonable diligence and may include but is not limited to: (a) delays or refusals to grant an export license or the suspension or revocation thereof; (b) any other acts of any government that would limit a Party's ability to perform under this Agreement; (c) fires, earthquakes, floods, tropical storms, hurricanes, tornadoes, severe weather conditions, or any other acts of God, (d) epidemics, pandemics, quarantines or regional medical crises; (e) shortages or inability (without litigation or the payment of penalties or unreasonable prices or the acceptance of unreasonable terms and conditions) to obtain materials, equipment, energy, or components; (f) labor strikes or lockouts; (q) riots, strife, insurrection, civil disobedience, landowner disturbances, armed conflict, terrorism or war, declared or not (or impending threat of any of the foregoing, if such threat might reasonably be expected to cause injury to people or property); and (h) inability or refusal by Company's directed third party suppliers to provide Honeywell parts, services, manuals, or other information necessary to the Products or Services to be provided by Honeywell under this Agreement. If a Force Majeure event causes a delay, then the date of performance will be extended by the period of time

that the non-performing Party is actually delayed, or for any other period as the parties may agree in writing. Notwithstanding the prior sentence, quantities or performance affected by this force majeure clause may, at the option of Honeywell, be eliminated from the Agreement without liability, but the Agreement will remain otherwise unaffected.

When performance is excused, Honeywell may allocate its services or its supplies of materials and products in any manner that is fair and reasonable as determined by Honeywell. However, Honeywell will not be obligated to obtain services, materials or products from other sources or to allocate materials obtained by Honeywell from third parties for Honeywell's internal use.

13. Termination. Either Party may terminate this Agreement and any or all unperformed Orders arising out of or related to this Agreement, by giving written notice to the other Party immediately upon the occurrence of any of the following (a) the other Party materially breaches this Agreement and fails to remedy the breach within thirty (30) calendar days after receipt of written notice that specifies the grounds for the material breach; (b) the other Party fails to make any payment required to be made under this Agreement when due, and fails to remedy the breach within three (3) calendar days after receipt of written notice of non-payment; (c) Company ceases to function as a going concern, suspends or ceases to conduct its operations in the normal course of business (including the inability to meet its obligations as they mature), or a receiver is appointed for Company's assets. or any insolvency or suspension of the other Party 's operations or any petition filed or proceeding made by or against the other Party under any state, federal or other applicable law relating to bankruptcy, arrangement, reorganization, receivership or assignment for the benefit of creditors or other similar proceedings. Termination does not affect any debt, claim or cause of action accruing to any Party against the other before the termination. The rights of termination provided in this clause are not exclusive of other remedies that either Party may be entitled to under this Agreement or in law or equity.

Honeywell may suspend or terminate performance under this Agreement at Company's expense if Honeywell determines that performance may cause a safety, security, or health risk.

Honeywell may terminate this Agreement and any or all unperformed Orders immediately upon notice to Company upon the occurrence of any of the following events: (i) Company attempts to assign this Agreement or any rights



hereunder without Honeywell's prior written consent; (ii) there is a transfer of substantially all of the assets of, or a majority interest in the voting stock of, Company, or the merger or consolidation of Company with one or more parties; (iii) dissolution of Company or death of any principal owner of Company; (iv) any officer, principal, stockholder, manager, member, or partner of Company is indicted for or convicted for any felony or converts or embezzles any property or funds of others; (v) any conduct or practice by Company occurs which is detrimental or harmful to the good name, goodwill, and reputation of Honeywell or the Products; or (vi) any failure to comply with Section 33 of this Agreement.

14. Applicable Law. This Agreement and all matters related to this Agreement will be governed by, construed in accordance with, and enforced under the laws of the State of New York without regard to conflicts of law principles. Application of the Uniform Computer Information Transactions Act and United Nations Convention on Contracts for the International Sale of Goods, 1980, and any successor law to either is specifically excluded. Company will not bring a legal or equitable action more than one year after the cause of action arose unless a shorter period is provided by applicable law.

The parties waive any right to a trial by jury for disputes and submit to the exclusive jurisdiction of the State courts located within New York, New York to adjudicate any dispute arising out of or related to this Agreement and the parties hereby submit to the jurisdiction of such courts.

**15.** Limitation of Liability. IN NO EVENT WILL HONEYWELL BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, STATUTORY, OR INDIRECT DAMAGES, LOSS OF PROFITS, REVENUES, OR USE, OR THE LOSS OR CORRUPTION OF DATA, EVEN IF INFORMED OF THE POSSIBILITY OF THESE DAMAGES AND NOTWITHSTANDING THE FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

THE AGGREGATE LIABILITY OF HONEYWELL FOR ANY CLAIMS ARISING OUT OF OR RELATED TO THIS AGREEMENT IS LIMITED TO DIRECT DAMAGES NOT TO EXCEED THE CONTRACT PRICE FOR THE SPECIFIC PRODUCT OR SERVICE THAT GIVE RISE TO THE CLAIM. IN THE EVENT THAT COMPANY IS AUTHORIZED TO RESELL ITS OWN SERVICES TO A CUSTOMER, HONEYWELL SHALL HAVE NO LIABILITY FOR ANY DAMAGES OR INJURIES ARISING FROM SERVICES PROVIDED BY COMPANY TO ITS CUSTOMERS, INCLUDING WITHOUT LIMITATION SERVICES PERFORMED BY COMPANY ON HONEYWELL PRODUCTS SOLD HEREUNDER.

TO THE EXTENT PERMITTED BY APPLICABLE LAW, THESE

LIMITATIONS AND EXCLUSIONS WILL APPLY REGARDLESS OF WHETHER LIABILITY ARISES FROM BREACH OF CONTRACT, INDEMNITY, WARRANTY, TORT, OPERATION OF LAW. OR OTHERWISE.

HONEYWELL SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE WHERE THAT LIABILITY ARISES AS A RESULT OF ITS KNOWLEDGE (WHETHER ACTUAL OR OTHERWISE) OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE.

### 16. Nondisclosure and Non-Use of Information.

"Proprietary Information" means: (a) any information, technical data or know-how in whatever form, including, but not limited to, documented information, machine readable or interpreted information, information contained in physical components, mask works and artwork, that is clearly identified as being confidential, proprietary or a trade secret; (b) business related information including but not limited to pricing, manufacturing, or marketing; (c) the terms and conditions of any proposed or actual agreement, between the parties or their affiliates, (d) either Party's or its affiliates' business policies, or practices; and (e) the information of others identified as confidential, proprietary or a trade secret that is received by either Party under an obligation of confidentiality.

The receiving Party will keep all Proprietary Information disclosed confidential for ten (10) years following the expiration, termination or completion of the work of this Agreement whichever period is longer. Each Party will retain ownership of its Proprietary Information including, without limitation, all rights in patents, copyrights, trademarks and trade secrets. No right or license is granted hereby to either Party or its customer, employees or agents, expressly or by implication, with respect to the Proprietary Information or any patent, patent application or other proprietary right of the other Party, notwithstanding the expiration of the confidentiality obligations stated in this clause. Honeywell agrees to use the Proprietary Information of Company only to provide Products or Services for Company from Honeywell and not from any other source. Company will not use or disclose Honeywell's Proprietary Information for any other purpose.

The receiving Party has no duty to protect information that is: (1) known, publicly, at the time of disclosure or becomes publicly known through no fault of recipient; (2) known to recipient at the time of disclosure through no wrongful act of recipient; (3) received by recipient from a third party without restrictions similar to those in this clause; or (4) independently developed by recipient without use of or reference to the disclosing Party's Proprietary Information.



If the receiving Party is required to disclose Proprietary Information pursuant to applicable law, statute, regulation, or court order, the receiving Party will give the disclosing Party prompt written notice of the request to provide a reasonable opportunity to object to the disclosure in order to secure a protective order or appropriate remedy.

Each Party acknowledges and agrees that if it breaches any obligations of this Non-Disclosure And Non-Use Of Proprietary Information clause, the other Party may suffer immediate and irreparable harm for which monetary damages alone shall not be a sufficient remedy and that, in addition to all other remedies that the non-breaching Party may have, the non-breaching Party shall be entitled to: (i) seek injunctive relief, specific performance or any other form of relief in a court of competent jurisdiction, including, but not limited to, equitable relief, to remedy a breach or threatened breach hereof by the breaching Party; and (ii) enforce this Non-Disclosure And Non-Use Of Proprietary Information clause. The breaching Party waives all defenses and objections it may have on grounds of jurisdiction and venue, including, but not limited to, lack of personal jurisdiction and improper venue, and any requirement for the securing or posting of any bond in connection with such remedy.

### 17. Indemnity Against Patent and Copyright Infringement.

Honeywell will defend Company against any suit arising out of any actual or alleged patent or copyright infringement of a patent or copyright valid in the United States, to the extent based on the Product as delivered by Honeywell, and indemnify for any final judgment assessed against Company resulting from such suit provided that Company notifies Honeywell in writing promptly after Company is apprised of the third-party claim, and Company agrees to give sole and complete authority, information and assistance (at Honeywell's reasonable expense) for the defense and disposition of the claim.

Honeywell will not be responsible for any compromise or settlement made without Honeywell's prior written consent. Because Honeywell has sole control of resolving infringement claims hereunder, in no event will Honeywell be liable for Company's attorney fees or costs.

Honeywell will have no liability or obligation to defend and indemnify Company to the extent FAR 52.227-1 "Authorization and Consent" applies to Company's prime or higher-tier contract for infringement of a United States patent and Company is not subject to any actions for claims, damages, losses, costs and expenses, including reasonable attorneys' fees by a third party.

Honeywell will have no liability or obligation to defend and

indemnify Company with respect to claims of infringement arising out of or based on: (a) Products supplied pursuant to Company's designs, drawings or manufacturing specifications; (b) Products used other than for their ordinary intended purpose as documented in the Product documentation; (c) any combination of the Product with any article, product, software, equipment, service, or other materials not furnished by Honeywell; (d) use of other than the latest version of software Product released by Honeywell; (e) any modification of the Product other than a modification by Honeywell; or (f) damages based on a theory of liability other than infringement by the Product.

Further, Company agrees to indemnify and defend Honeywell to the same extent and subject to the same restrictions set forth in Honeywell's obligations to Company as set forth in this "Indemnity Against Patent and Copyright Infringement" article for any claim against Honeywell based upon a claim of infringement resulting from (a), (b), (c), (d), (e), or (f) of the preceding paragraph.

If a claim of infringement is made, or if Honeywell believes that such a claim is likely, Honeywell may, at its option, and at its expense: (1) procure for Company the right to continue using the Product; (2) replace or modify the Product so that it becomes non-infringing; or (3) accept return of the Product or terminate Company's license to use the infringing Product in the case of a software Product and grant Company a credit for the purchase price or license fee paid for such Product, less a reasonable depreciation for use, damage, and obsolescence. Further, Honeywell may cease shipping infringing Products without being in breach of this Agreement.

If the final judgment assessed against Company is based on the revenue generated from the use of the Product, as opposed to from the sale of the Product by Honeywell to Company (whether alone or in combination with any article or service not furnished by Honeywell), then Honeywell's liability under this indemnity, exclusive of defense costs, shall be limited to a reasonable royalty based on the contract price paid by Company to Honeywell for the Product that gave rise to the claim.

Any liability of Honeywell under this "Indemnity Against Patent and Copyright Infringement" is subject to the provisions of the "Limitation of Liability" article of this Agreement.

This "Indemnity Against Patent and Copyright Infringement" article states the Parties' entire liability, sole recourse and their exclusive remedies with respect to patent and copyright infringement claims. All other warranties against



infringement or misappropriation of any intellectual property rights, statutory, express or implied are hereby disclaimed.

**18.** Software License. All software delivered by Honeywell to Company is not sold but is subject to the software license herein or as otherwise agreed in writing by the Parties. "Licensed Software" means software, including all related updates, changes, revisions and documentation, if any, that Company is entitled to use under the terms of this Agreement, and which is not subject to a separate software license between the parties. License. Subject to Company's compliance with the terms of this Agreement, Honeywell grants to Company and Company accepts a nontransferable, nonexclusive license, without the right to sublicense, to use the Licensed Software in the ordinary and normal operation of the Product on which it is installed or with which it is intended to be used under this license. (a) Ownership. Honeywell (and its licensor(s), if applicable) retains all title to the intellectual property related to all material and Licensed Software provided under this Agreement, all of which are owned by Honeywell, or its licensor(s), are protected by copyright laws, and are to be treated like any other copyrighted material. (b) Transfer of Licensed Software. Company may transfer its license to use the Licensed Software and all accompanying materials to a third party only in conjunction with Company's sale of any Honeywell or Company product on which the Licensed Software is installed or with which it is used. Company is to retain no copies. Company's transfer of the Licensed Software as authorized herein must be under terms consistent with and no less stringent than the terms set forth in this Agreement. In no event shall Company have any right to (or authorize or allow any third party to) distribute, sell, lend, rent, transfer, or convey the Software; grant any sublicense, lease, or other rights in the Software; decompile, disassemble, reverse engineer, or otherwise attempt to reconstruct, identify, or discover any source code, underlying user interface architecture or techniques, or algorithms of the Software by any means; or take any action that would cause the Software or any portion of it to be placed in the public domain. (c) Copies. Unless specifically authorized by Honeywell in writing, Company is prohibited from making copies of Licensed Software except for backup purposes. Company will reproduce and include all Honeywell proprietary and copyright notices and other legends both in and on every copy made. (d) Protecting Integrity. Company may not directly or indirectly make any effort to deconstruct the Licensed Software, including, but not limited to: translating, decompiling, disassembling, reverse assembling, reverse engineering, creating derivative works or compilations, or performing any other operation to obtain any portion of its contents. Company will take all reasonable actions necessary to prevent unauthorized access, disclosure or use of the Licensed Software. (e) **Negation of Other Licenses**. Except as expressly granted herein, no license or right, including sublicensing rights, either expressly, implicitly, by estoppel, conduct of the parties, or otherwise, is granted by Honeywell to Company.

- 19. Special Tooling and Data. Special Tooling includes, but is not limited to, jigs, dies, fixtures, molds, patterns, special taps, special gauges, special test equipment, other special equipment and manufacturing aids, and replacement items, now existing or created in the future, together with all related specifications, drawings, engineering instructions, data, material, equipment, software, processes, and facilities created or used by Honeywell in the performance of its obligations under this Agreement. Honeywell owns all Special Tooling, except to the extent an authorized representative of Honeywell specifically transfers title for any Special Tooling in writing to Company. Any transfer of title to Special Tooling does not include transfer of Honeywell's intellectual property used to create, or that may be embodied in the Special Tooling, other than a license to use the Special Tooling without modification.
- **20.** Export. Company is responsible for compliance with all applicable import and export control laws and regulations. Honeywell will obtain the export license when Honeywell is the exporter of record. Company must obtain at its sole cost and expense all necessary import authorizations and any subsequent export or re-export license or other approval required for Products, technology, software, services and technical data purchased, delivered, licensed or received from Honeywell. Company will retain documentation evidencing compliance with those laws and regulations. Honeywell will not be liable to Company for any failure to provide Products, Services, transfers or technical data as a result of government actions that impact Honeywell's ability to perform, including: (a) the failure to provide or the cancellation of export or reexport licenses; (b) any subsequent interpretation of applicable import, transfer, export or re-export law or regulation after the date of any Order or commitment that has a material adverse effect on Honeywell's performance; or (c) delays due to Company's failure to follow applicable import, export, transfer, or re-export laws and regulations.

If Company designates the freight forwarder for export shipments from the United States, then Company's freight forwarder will export on Company's behalf and Company will be responsible for any failure of Company's freight forwarder to comply with all applicable export requirements. Honeywell



will provide Company's designated freight forwarder with required commodity information. Company is aware that U.S. export law may impose restrictions on Company's use of the goods, services, or technical data, or on their transfer to third parties. Company will immediately notify Honeywell and cease distribution activities with regard to the transaction in question if Company knows or has a reasonable suspicion that the Products, technical data, plans, or specifications may be redirected to other countries in violation of export control laws.

Company may not sell, transfer, export or re-export any Honeywell Products, services or technical data for use in activities that involve the design, development, production, use or stockpiling of nuclear, chemical or biological weapons or missiles, nor use Honeywell's Products, services or technical data in any site that engages in activities relating to such weapons or missiles. Unless otherwise expressly agreed to in writing by Honeywell, Honeywell's Products, services or technical data may not be used in connection with any activity involving nuclear fission or fusion, or any use or handling of any nuclear material, or any nuclear, chemical, or biological weapons.

**21.** Sanctions. Company represents, warrants, and agrees that:

Company is not a "Sanctioned Person," meaning any person or entity: (i) named on the U.S. Department of the Treasury's Office of Foreign Assets Control's ("OFAC") list of "Specially Designated Nationals and Blocked Persons," "Sectoral Sanctions Identifications List" or other economic sanctions lists issued pursuant to a United States governmental authority, the European Union Common Foreign & Security Policy or other governmental authority; (ii) organized under the laws of, ordinarily resident in, or physically located in a jurisdiction that is the subject of sanctions administered by OFAC or the U.S. Department of State (each a "Sanctioned Jurisdiction" and including, at the time of writing, Cuba, Iran, North Korea, Syria, and the Crimea region); or (iii) owned or controlled, directly or indirectly, 50% or more in the aggregate by one or more Sanctioned Persons.

Company is in compliance with and will continue to comply with all economic sanctions laws administered by OFAC, the U.S. Department of State, the European Union, or the United Kingdom ("Sanctions Laws"). Company will not involve any Sanctioned Persons or group of Sanctioned Persons in any capacity, directly or indirectly, in any part of this transaction and performance under this transaction. Company will not take any action that would cause Honeywell to be in violation of Sanctions Laws.

Company will not sell, export, re-export, divert, or otherwise transfer, any Honeywell Products, technology, or software: (i) to any Sanctioned Persons; or (ii) for purposes prohibited by any sanctions program enacted by the U.S Government.

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

- **22.** Taxes. Honeywell's pricing excludes all taxes (including but not limited to, sales, use, excise, value-added, and other similar taxes), tariffs and duties (including but not limited to. amounts imposed upon the Product(s) or bill of material thereof under any Trade Act, including, but not limited to, the Trade Expansion Act, section 232 and the Trade Act of 1974. section 301) and charges (collectively "Taxes"). Company will pay all Taxes resulting from this Agreement or Honeywell's performance under this Agreement, whether imposed, levied, collected, withheld, or assessed now or later. If Honeywell is required to impose, levy, collect, withhold or assess any Taxes on any transaction under this Agreement, then in addition to the purchase price, Honeywell will invoice Company for such Taxes unless at the time of Order placement, Company furnishes Honeywell with an exemption certificate or other documentation sufficient to verify exemption from the Taxes. If any Taxes are required to be withheld from amounts paid or payable to Honeywell under this Agreement: (a) such withholding amount will not be deducted from the amounts due Honeywell as originally priced; (b) Company will pay the Taxes on behalf of Honeywell to the relevant taxing authority in accordance with applicable law; and (c) Company will forward to Honeywell, within sixty (60) calendar days of payment, proof of Taxes paid sufficient to establish the withholding amount and the recipient. In no event will Honeywell be liable for Taxes paid or payable by Company. This clause will survive expiration or any termination of this Agreement.
- **23. Notices**. Every notice between the parties relating to the performance or administration of this Agreement will be made in writing and, if to Company, to Company's authorized representative or, if to Honeywell, to Honeywell's authorized representative. All notices required under this Agreement will be deemed received either: (a) two (2) calendar days after mailing by certified mail, return receipt requested and postage prepaid; (b) one (1) business day after deposit for next day delivery with a commercial overnight carrier provided the carrier obtains a written verification of receipt



from the receiving Party; or (c) if sent by e-mail, upon receipt of a non-automated response from the receiving Party confirming receipt of the notice. All non-electronic notices must be addressed as follows: HONEYWELL SENSING AND SAFETY TECHNOLOGIES, 830 E. Arapaho Rd., Richardson, TX 75081, Attn: General Counsel.

24. General Provisions. (a) Assignment; Subcontracting. Neither Party will assign any rights or obligations under this Agreement without the advance written consent of the other Party, which consent will not be unreasonably withheld, conditioned or delayed except that either Party may assign this Agreement in connection with the sale or transfer of all or substantially all of the assets of the product line or business to which it pertains. Any attempt to assign or delegate in violation of this clause will be void, except that Honeywell may assign this Agreement to any subsidiary or affiliate. (b) **Commercial Use**. Company represents and warrants that any technical data or software provided by Honeywell to Company under this Agreement will not be delivered, directly or indirectly, to any agency of any government in the performance of a contract, or subcontract, with the respective government without the prior written consent of Honeywell. (c) Counterparts. This Agreement may be signed in counterparts (including faxed and any electronic or digital format), each of which will be deemed one and the same original. Reproductions of this executed original (with reproduced signatures) will be deemed to be original counterparts of this Agreement. (d) Headings and Captions. Headings and captions are for convenience of reference only and do not alter the meaning or interpretation of this Agreement. (e) Publicity. Neither Party will issue any press release or make any public announcement relating to the subject matter of this Agreement without the prior written approval of the other Party, except that either Party may make any public disclosure it believes in good faith is required by applicable law or any listing or trading agreement concerning its or its affiliates' publicly-traded securities. Notwithstanding the foregoing, if either Party, or a third party, makes a public disclosure related to this Agreement that is false or damaging to a Party, the aggrieved Party will have the right to make a public response reasonably necessary to correct any misstatement, inaccuracies or material omissions in the initial and wrongful affirmative disclosure without prior approval of the other Party. Neither Party will be required to obtain consent pursuant to this article for any proposed release or announcement that is consistent with information that has previously been made public without breach of its obligations under this clause. (f) Relationship of Parties. The Parties acknowledge that they are independent contractors and no other relationship, including without limitation partnership,

joint venture, employment, franchise, master/servant or principal/agent is intended by this Agreement. Neither Party has the right to bind or obligate the other. Furthermore, nothing contained in this Agreement shall be construed to constitute Company as an exclusive purchaser of the Products or Services in any respect. (g) Remedies. Except where specified to the contrary, the express remedies provided in this Agreement for breaches by Honeywell are in substitution for remedies provided by law or otherwise. If an express remedy fails its essential purpose, then Company's remedy will be a refund of the price paid. (h) Severability. If any provision or portion of a provision of this Agreement is determined to be illegal, invalid, or unenforceable, the validity of the remaining provisions will not be affected. The Parties may agree to replace the stricken provision with a valid and enforceable provision. (i) Subcontractors. Honeywell has the right to subcontract its obligations under this Agreement. Use of a subcontractor will not release Honeywell from liability under this Agreement for performance of the subcontracted obligations. (j) Survival. Provisions of this Agreement that by their nature should continue in force beyond the completion or termination of the Agreement, or any associated Orders, will remain in force. (k) Third Party **Beneficiaries**. Except as expressly provided to the contrary in this Agreement, the provisions of this Agreement are for the benefit of the Parties only and not for the benefit of any third party. (I) Waiver. All waivers must be in writing. Failure of either Party to enforce at any time any of the provisions of this Agreement will not be construed to be a continuing waiver of any provisions hereunder and no waiver of any provision or right shall affect the right of the waiving Party to enforce any other provision or right herein. (m) Data Access. Company understands that certain Products may include software to collect information about how, and under what conditions, the Product is used and functions, including, without limitation, information describing use of operator inputs such as touch panel, buttons, and voice/audio input; power status and management, such as battery levels; device location; ambient conditions such as pressure, temperature, and/or humidity levels. The information collected by such software may be used by Honeywell for purposes including, but not limited to, assistance with Product repairs, diagnostics, research and analytics to improve functionality or optimize usage, development. and customer quality control/improvement of such Products. No end-user identifiable data will be provided to any third party. Company shall notify all resellers that Honeywell is collecting this information and shall contractually bind all resellers to notify their end-user customers that such information may be collected and used by Honeywell as described above. Honeywell and its affiliates may also use this information for



any other purpose provided it is in an anonymized form that does not identify Company. (n) Hazardous Material Transportation Charges. Where applicable, hazardous material transportation charges will be prepaid and added to Company's invoice. (o) Packing. If Honeywell is responsible for packing any items for shipment, Honeywell will pack such items in accordance with Honeywell's general packing instructions, suitable for air-ride vans only.

- **25.** Intellectual Property Rights Including Patents. Company recognizes that all rights or industrial ownership either intellectual or other, relating to services, to Products, or other manufacture belong either to Honeywell or its affiliates, subsidiaries or other divisions or units. The contractual relationship between Honeywell and Company only allows the Company the right to use the Products, and no rights to either modify or reproduce.
- **26.** Trademark. Company agrees not to remove or alter any indicia of manufacturing origin contained on or within the Products, including without limitation the serial numbers or trademarks on nameplates or cast or machined components.
- 27. Data Privacy. For purposes of this Agreement, "Applicable Data Privacy Laws" means applicable data protection, privacy, breach notification, or data security laws or regulations; "Personal Data" is any information that is subject to, or otherwise afforded protection under, Applicable Data Privacy Laws and that relates to an identified or identifiable natural person; an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person, or as that term (or similar variants) may otherwise be defined in Applicable Data Privacy Laws.

Each Party may process Personal Data in the form of business contact details relating to individuals engaged by the other Party or its affiliates ("Staff") for the purposes of performing each Party's obligations under this Agreement and managing the business relationship between the Parties, including their business communication ("Purposes").

The Parties will process such Personal Data as independent data controllers in accordance with the terms of this Agreement and Applicable Data Privacy Laws. Each Party will comply with the following: (a) ensure the lawfulness of their data collection and the lawfulness of data transfer to the other Party; (b) implement appropriate security measures to protect Personal Data provided by the other Party against accidental or unlawful destruction, loss, alteration,

unauthorized disclosure, or (remote) access; (c) protect Personal Data provided by the other Party against unlawful processing by its Staff, including unnecessary collection, transfer, or processing, beyond what is strictly necessary for the Purposes; (d) prior to any transfer of Personal Data, impose all obligations on third parties involved, as required by this Agreement and Applicable Data Privacy Laws; and (e) securely delete such Personal Data once it is no longer required for the Purposes.

Each Party shall be responsible for providing necessary information and notifications required by Applicable Data Privacy Laws to its Staff. For purposes of clarity, Honeywell will process any Personal Data concerning the other Party's Staff in accordance with its website privacy statement, which may be amended from time to time and is accessible at https://www.honeywell.com/en-us/privacy-statement, and the other Party shall furnish Honeywell's privacy statement to any of its Staff whose Personal Data is so provided to Honeywell by the other Party Where appropriate and in accordance with Applicable Data Privacy Laws, each Party shall inform its own Staff that they may exercise their rights in respect of the processing of their Personal Data against the other Party by sending a request with proof of identity to the other Party's address set forth in this Agreement or provided otherwise by the other Party in this regard.

Where a Party's Personal Data are transferred to a country that has not been deemed to provide an adequate level of protection for Personal Data by Applicable Data Privacy Laws, the other Party will either enter into or apply legally recognized international data transfer mechanisms, including: (1) Standard Contractual Clauses adopted or approved by the competent supervisory authority or legislator; (2) binding Corporate Rules which provide adequate safeguards; or (3) any other similar program or certification that is recognized as providing an adequate level of protection in accordance with Applicable Data Privacy Laws.

- 28. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous agreements, communications, or representations, either verbal or written between the Parties hereto. Any oral understandings are expressly excluded. This Agreement may not be changed, altered, supplemented or added to except by the mutual written consent of the Parties' authorized representatives.
- **29.** Obsolescence. For purposes of this Agreement, obsolete means a Products' status declared by Honeywell, at its sole discretion, based on a Product becoming superseded,



discontinued or reduced in manufacture. If Honeywell determines that some or all of the requirements of this Agreement can no longer be satisfied due to an obsolescence issue, Honeywell will promptly notify Company of the obsolescence. Honeywell will have no liability for Products declared obsolete.

- **30.** Indemnification. Company shall indemnify on demand Honeywell from and against all claims, demands, actions, awards, judgments, settlements, costs, expenses, liabilities, damages and losses (including all interest, fines, penalties and legal and other professional costs and expenses) incurred by Honeywell arising out of or in connection with Company's actual or threatened breach of these terms and conditions or by its negligence in the performance of the Agreement. Company acknowledges that, to the extent it uses any thirdparty services, parts, consumables or other third-party contributions related to the Products and not authorized in writing by Honeywell, Company agrees to waive any and all liability of Honeywell associated with Company's such use of Products, and further agrees that Company will indemnify, defend, and hold Honeywell and its parents, subsidiaries, affiliates, employees, and directors harmless against any claims arising from such use of the Products.
- **31.** Hardship. If for any reason Honeywell's production or purchase costs for the Product (including without limitation costs of energy, equipment, labor, regulation, transportation, packaging, raw material, feedstocks, or Product) increases by more than five percent (5%) over Honeywell's production or purchase costs for the Product as of the firm Price quoted in accordance with the clause "Prices" herein, then Honeywell may, by written notice to Company of such increased costs, request a price increase on the Product under this Agreement. In the event the Parties are not able to agree on a revised Product price within ten (10) calendar days after a request for renegotiation is given, then Honeywell may terminate this Agreement on ten (10) calendar days written notice to Company.
- **32.** Anti-Corruption Laws. Company acknowledges and agrees that it will comply with the United States Foreign Corrupt Practices Act (as amended, the "FCPA") and all other applicable anti-bribery and anti-corruption legislation ("Anti-Corruption Law"). Without limiting the foregoing, Company hereby certifies: (a) that it will not, for the purposes of securing an unfair business advantage, directly or indirectly, offer, solicit, pay, give, promise to pay or give, or authorize the payment or giving of any money, gift, or anything of value to:

(i) any "Restricted Person" defined as: (A) any officer, employee, or person acting in an official capacity for any government, any government department, agency, or instrumentality, any government-controlled entity, or public international organization; (B) any political party or party official; (C) any candidate for public office; (D) any officer, director, shareholder holding more than ten percent (10%) of the issued shares, employee, or agent of any private customer; or (ii) any Person that the Company knows or has reason to know that all or a portion of such money or thing of value will be offered, given, or promised, directly or indirectly, to any Restricted Person; (b) that neither the Company nor any of its shareholders, directors, officers, employees, or agents has performed any act which would constitute a violation of, or which would cause Honeywell to be in violation of, the FCPA or other Anti-Corruption Law; (c) that it will maintain accurately such books and records as Honeywell may reasonably require from time to time. Honeywell, at its expense, may audit Company on a continuing basis to determine Company's compliance with the FCPA and other Anti-Corruption Law and with the export and import control laws and regulations applicable by virtue of the Agreement. Company will be advised of such audit not less than thirty (30) days in advance. Company shall prepare for and assist in any such audit; (d) that, in the event, after execution of this Agreement, Company becomes, or proposes to become a Restricted Person, Company shall immediately notify Honeywell, and Honeywell shall have the unilateral right, without provision for any compensation whatsoever, to modify or terminate this Agreement if necessary to ensure that all applicable laws, regulations, or policies of the United States or other jurisdiction, and all policies of Honeywell, will not be violated; (e) that no Restricted Person has a right to share either directly or indirectly in the commissions of any contract obtained pursuant to this Agreement or in any commission payable hereunder; (f) that it has not employed or compensated and will not employ or compensate any current or former employees or officials of the government of the United States or other jurisdiction if such employment or compensation violates any law, regulation, or policy in the United States or the other jurisdiction; (g) that it shall immediately notify Honeywell and cease representation activities with regard to the sale in question if Company knows or has a reasonable suspicion of a violation of the FCPA, other Anti-Corruption Law, or the Honeywell Code of Conduct;, (h) that, upon request by Honeywell, it shall attest to the accuracy and truthfulness of the foregoing representations and



warranties, and shall so attest annually and at the time of each renewal, if any, of the Agreement; and (i) that, in the event of any investigation by Honeywell or any governmental entity with respect to potential violations of the FCPA, any other Anti-Corruption Law, or the Code of Conduct, Company agrees to cooperate with Honeywell in the course of any such investigation or reasonably anticipated investigation.

Company acknowledges that, in the event of a breach of these certifications by Company, Honeywell may suffer damage to its reputation and loss of business which is incapable of accurate estimation. As a result, Company agrees to defend, indemnify, and hold harmless Honeywell for all claims, demands, causes of action, damages, losses, fines, penalties, or costs, including attorneys' fees, that Honeywell may suffer by reason of the violation by Company of the FCPA or other Anti-Corruption Law, or investigation of Honeywell or Company by a governmental agency for such a violation, and further agrees to refund to Honeywell any funds paid in contravention of such laws.

Company warrants that neither it nor any of Company's shareholders, directors, officers, employees, agents, or consultants (if any) has ever been suspended or debarred in connection with a contract with all levels of the administration within the United States or any other applicable jurisdiction except as to those matters, if any, disclosed to Honeywell in writing prior to entering into this Agreement. Company shall immediately provide written notice to Honeywell if, at any time during the performance of this Agreement, Company or any of Company's shareholders,

directors, officers, employees, agents, or consultants (if any) becomes the subject of a suspension or debarment proceeding before any agency or instrumentality of the United States or the government having jurisdiction over the Company.

- **33.** Compliance with Laws and Code of Business Conduct.

  Each Party will comply with all applicable laws, regulations and ordinances in performance of this Agreement, except the Parties' obligation to comply with export and import laws will be governed by the "Export" section of this Agreement. Company certifies it has read, understands, and agrees to abide by the provisions of the Honeywell Code of Business Conduct (the "Code of Conduct"), available at <a href="https://www.honeywell.com/who-we-are/integrity-and-compliance">https://www.honeywell.com/who-we-are/integrity-and-compliance</a>.
- **34. Dispute Resolution (Executive Escalation)**. Before the Parties initiate any dispute resolution process other than injunctive relief, the Parties must schedule a mandatory executive resolution conference to be held within thirty (30) days of receipt of the other Party's written request. The conference must be attended by at least one executive from each Party. At the conference, each Party will present its view of the dispute in detail and the executives will enter into good faith negotiations in an attempt to resolve the dispute. If the dispute is not resolved within fifteen (15) days of the end of the conference, then either Party may pursue resolution of the dispute consistent with the other terms of the Agreement.

Jan. 2023



# US & CANADA CONDITIONS OF SALE – SENSING & SAFETY TECHNOLOGIES

### Attachment A

### SPECIAL CONDITIONS OF SALE

<u>Distributors/Resellers</u>. In the event that Company is authorized by Honeywell to distribute or resell the Product and/or its own services related to Products to a third party (a "Customer"), the following additional provisions shall apply:

- 1. Warranty. Company, acting on its own behalf only, shall extend a warranty to its Customers no broader in scope than the limited warranty extended to it by Honeywell. Company shall perform and fulfill at its sole expense all of the terms and conditions of each warranty, including providing reasonable assistance with respect to product recall or other warranty actions by Honeywell, subject to the obligations of Honeywell set forth herein. Company represents and warrants that it will require its Customers to comply with the above Cybersecurity Event provisions.
- 2. **Drop Shipments**. Drop shipments are allowed within the United States. In addition to any other charges applicable hereunder, a charge of \$50 will be assessed to all drop shipment Orders. Each drop shipment is subject to minimum order requirements and each drop ship address requires a separate Order.
- 3. **Services Performed by Company**. Company acknowledges that it is not authorized to perform services for its Customers on Products purchased from Honeywell unless otherwise provided in a writing from Honeywell signed by an authorized Honeywell representative, and that the sale of materials and/or parts to Company from Honeywell in no way represent such authorization. Company further acknowledges and agrees that to the extent it performs any services for its Customers on Honeywell Products, it does so at its own expense and liability, and shall indemnify Honeywell for any and all damages or injuries arising from those services performed for its Customers as per the terms of the "Indemnification" section hereof. This section shall be subject to Honeywell's rights under the "Limitation of Liability" section.
- 4. **Insurance**. Unless agreed otherwise, Company shall, at all times that the Agreement is in force and effect, provide and maintain, at a minimum, insurance with the following limits: A Comprehensive General Liability policy with a single limit of \$1,000,000 per occurrence and \$2,000,000 in the aggregate for bodily injury and property damages; Company shall deliver certificates to Honeywell, containing therein provisions requiring the insurance carrier to notify Honeywell at least thirty (30) days prior to any expiration or termination of, or material change to the policy. All insurance required under this Agreement shall be placed with insurance carrier(s) that are rated a minimum "A -, X" by AM Best or equivalent rating agency. All certificates shall be delivered to the Honeywell prior to placement of any Orders hereunder. In addition, all such policies shall name Honeywell as an additional insured.
- 5. **Company Financial Status**. Company represents and warrants to Honeywell on a continuing basis that it is in good financial condition and able to pay all bills when due. Company shall, from time to time furnish any financial statements or additional information as may be requested by Honeywell in order to enable Honeywell to assess Company's financial condition and creditworthiness. Additionally, Company authorizes Honeywell to obtain financial information regarding Company from credit reporting agencies, Company's banks and suppliers, and other such sources. Honeywell may, in its sole discretion, increase or decrease the amount of credit (if any) that Honeywell has extended to Company in connection with the purchase of Products.
- 6. **Limitation of Liability**. Company shall include a Standard Limitation of Liability Provision in any written contract it has with a Customer. In the event that Company does not have a written contract with a specific Customer, Company shall include a Standard Limitation of Liability Provision in the terms and conditions of sale provided to such Customer. For purposes of this section, the term "Standard Limitation of Liability Provision" shall mean a limitation of liability provision that: (a) is commercially reasonable under the circumstances and (b) includes both: (1) an express disclaimer of exemplary, incidental, consequential, statutory, punitive, special, and indirect damages (including lost profits and lost revenues) by Company to the Customer and (2) an aggregate cap on the liability of Company to the Customer not exceeding \$10,000.



7. **Orders**. Unless otherwise agreed in writing by Honeywell, all orders must be placed through the Honeywell Partner eCommerce Platform (<a href="https://sps.honeywell.com/shop">https://sps.honeywell.com/shop</a>). Honeywell may, in its sole discretion, permit Company to place manual orders subject to a fee as determined by Honeywell.

### 8. Trademarks.

- (a) License and Use. Honeywell hereby grants Company a non-exclusive, royalty-free license during the term of the Agreement to use the trademarks, names, and related designs which are associated with the Products that Company is expressly authorized to sell and only in the territory in which Company is authorized to sell (the "Trademarks"). The Trademarks will be used solely in connection with Company's marketing, sale, installation, and servicing of the Products. Upon expiration or termination of the Agreement, Company shall immediately cease any and all use of the Trademarks in any manner; however, with Honeywell's prior written approval, Company may use the Trademarks to sell its remaining inventory of Products. The rights granted to the Company pursuant to this Agreement are personal to the Company and may not be transferred, assigned, or sublicensed, by operation of law or otherwise, nor may Company delegate its obligations hereunder without the written consent of Honeywell.
- (b) Acknowledgment of Rights and Trademarks. Company acknowledges that Honeywell is the owner of all right, title, and interest in, and to, the Trademarks. All goodwill resulting from the use of the Trademarks by Company, including any additional goodwill that may develop because of Company's use of the Trademarks, will inure solely to the benefit of Honeywell, and Company will not acquire any rights in the Trademarks except those rights specifically granted in the Agreement. Company shall use the Trademarks in strict conformity with this Agreement and with Honeywell's corporate policy regarding trademark usage, which shall be provided to Company from time to time. Company shall not (i) use the Trademarks for any unauthorized purpose or in any manner likely to diminish their commercial value; (ii) knowingly use any trademark, name, trade name, domain name, logo, or icon similar to or likely to cause confusion with the Trademarks; (iii) make any representation to the effect that the Trademarks are owned by Company rather than Honeywell; (iv) attempt to register, register, or own in any country: (A) the Trademarks; (B) any domain name incorporating in whole or in part the Trademarks; or (C) any name, trade name, domain name, keyword, social media name, account name, identification, or mark that is confusingly similar to the Trademarks; or (v) challenge Honeywell's ownership of the Trademarks. Company shall not at any time, either during the life of or after expiration of the Agreement, contest the validity of the Trademarks or assert or claim any other right to manufacture, sell, or offer for sale products under the Trademarks, or any trademark confusingly similar thereto. Any trademarks, names, or domain names acquired by Company in violation of this Agreement shall be immediately assigned to Honeywell upon request by Honeywell.
- (c) Samples. All advertising copy and promotional materials, including Internet web pages or designs, containing or referring to the Trademarks ("Copy") which Company intends to use, and its proposed placement must be approved in advance and in writing (including facsimile, email, and any electronic or digital format) by Honeywell to ensure proper usage of the Trademarks by Company. Honeywell shall promptly review the Copy received from Company and shall not unreasonably withhold its consent. The Copy shall be deemed disapproved if Honeywell does not provide a reply to Company within fifteen (15) business days of Honeywell's receipt of the Copy. Honeywell may refuse to approve, and Company shall not distribute, any materials containing or referring to the Trademarks that derogates, erodes, or tends to tarnish the Trademarks, or otherwise diminish the value of the Trademarks, in Honeywell's opinion. Company shall provide Honeywell samples of Copy for approval which differ in substance from prior materials used by Company and approved by Honeywell in accordance with the terms of this Agreement.
- (d) Infringements. Company shall promptly notify Honeywell of any infringement or potential infringement of the Trademarks. Honeywell may decide in its sole discretion whether and what steps should be taken to prevent or terminate infringement of the Trademarks, including the institution of legal proceedings and settlement of any claim or proceeding. Company shall provide or procure reasonable assistance, such as the furnishing of documents, information, and the execution of all reasonably necessary documents, as Honeywell may reasonably request.
- 9. **Termination**. Upon termination or expiration of an Agreement with a Company that is a distributor or other reseller, for any reason whatsoever, Company shall be obligated: (i) to cease immediately acting as a distributor of Honeywell and abstain from making further sales of Products, except with the written approval of Honeywell; provided, however, that Distributor shall have the right to reapply to Honeywell to be an authorized distributor of Products to be determined in Honeywell's sole discretion; (ii) to cooperate with Honeywell upon its direction in completing all outstanding obligations vis-à-vis its Customers; (iii) to cease immediately making use of any sign, printed material, Trademarks, or trade name identified with Honeywell in any manner, and to refrain from holding itself out as having been formerly connected in any way with Honeywell; and (iv) not to dispose of any Products purchased from Honeywell except to



Honeywell, or as otherwise designated by Honeywell.

Within thirty (30) days after the termination or expiration of the Agreement, Honeywell may, at its option, repurchase from Company all of Honeywell's new and unused Products originally purchased from Honeywell which are within warranty, at the price paid by Company or at Honeywell's then current distributor's price (whichever is lower), less a restocking fee of 25%; and, upon demand, Company shall be obligated to deliver such Products to Honeywell FOB point of shipment, and the price thereof shall be payable (in cash or as a credit against any indebtedness then owed by Company to Honeywell) within thirty (30) days after such delivery. Honeywell shall have the right to inspect such Products before the exercise of its option hereunder. Upon expiration or termination of the Agreement for any reason, Honeywell shall have no obligation to Company for compensation or for damages of any kind.

Honeywell may terminate this Agreement and any or all unperformed Orders immediately upon notice to Company if Company sells or transfers for sale or resale any Product in contravention of the provision of the Agreement authorizing Company to act as distributor or other reseller.

## Sales in Canada. The following shall apply for sales transactions in Canada:

- 1. All references to currency shall be changed to CAD.
- 2. All references to the United States or US shall be changed to Canada.
- 3. Applicable law and forum shall be changed to: The Agreement will be governed by and interpreted in accordance with the laws of the Province of Ontario, and the laws of Canada applicable therein, without regard to conflicts of law principles. Honeywell and Company expressly agree to exclude from the Agreement the United Nations Convention on Contracts for the International Sale of Goods, 1980, and any successor thereto. Any dispute arising out of or relating to the interpretation or execution of the Agreement, which cannot be resolved through executive escalation in accordance with the provisions of section 38 of this Agreement hereto, shall be submitted to arbitration for resolution. The arbitration proceedings shall be conducted in accordance with the Ontario Arbitration Act, 1991, and shall take place in Toronto, Ontario in the English language, before a single arbitrator agreed by the parties, or else appointed by a judge of the Ontario Superior Court of Justice upon the application of one or both parties. The arbitrator shall decide according to Ontario law, and awards by this arbitration tribunal shall be binding on the parties.
- 4. The parties have requested that the Agreement and the present Terms and Conditions be drafted in English. The French language version of these Terms and Conditions can be accessed online at: https://sps.honeywell.com/us/en/support/safety/legal-documents/sst/canada/french. / Le Contrat et les présentes Modalités sont rédigées en Anglais à la demande des parties. La version française des Modalités peut être obtenue en ligne à: https://sps.honeywell.com/us/en/support/safety/legal-documents/sst/canada/french. You may request a copy of the French language version of these Terms and Conditions by contacting Honeywell Sensing & Safety Technologies, 830 E Arapaho Rd., Richardson, Texas 75081, Attention: General Counsel. / Vous pouvez demander une version française des Modalités en contactant Honeywell Sensing & Safety Technologies, 830 E Arapaho Rd., Richardson, Texas 75081, A/s: General Counsel.