

Honeywell Building Solutions

SERVICE AGREEMENT

Project Name: Pana School Digital Controls and Software Upgrade

Proposal Number: 1969082

Date: 9/9/2020

Agreement Number:

("Honeywell")

**Honeywell International Inc.
dba Honeywell Building Solutions
1985 Douglas Drive North
Golden Valley, MN 55422**

("Customer")

PANA COMMUNITY UNIT DIST #8

14 E. Main Street
Pana, IL 62557

Contact Person: Jeff Stauder

Service Location Name: Pana Community School District #8

Service Location Address: 14 E Main Street Pana IL 62557

Scope of Work: Honeywell shall provide the following equipment and services (the "Work") in accordance with the attached work scope documents and terms and conditions, which form a part of this Honeywell Building Solutions Service Agreement (the "Agreement").

- Preferred Temperature Control Services
- Flex Temperature Control Services
- Preferred Automation Maintenance Services
- Flex Automation Services
- Preferred Fire Alarm Maintenance Services
- Fire Alarm Test and Inspect Services
- Preferred Security System Inspect Services
- Flex Security System Services
- Preferred Mechanical Maintenance Services
- Flex Mechanical Maintenance Services
- ServiceNet™ Remote Monitoring and Control Services
- EBI Services
- Online Services
- Advanced Support

- Facility Upgrade Service
- Honeywell Energy Analysis Reporting
- Air Filter Services
- Water Treatment Services
- Critical Parts Stocking
- Thermography Services
- Emergency Generator Services
- In Suite Services
- Remote Monitoring/Radionics
- Indoor Air Quality Auditing Services
- Service Management Software
- FM Worksite
- Other/Special Provisions _____
- Honeywell Users Group

Agreement Term: Five (5) years from the Effective Date.

Customer _____ Honeywell _____
(INITIALS) (INITIALS)

Agreement Effective Date: October 1, 2020

Payments for the Work: The initial annual payment is **Twenty Eight Thousand Seven Hundred Fifty Six Dollars and Forty Three Cents (\$28,756.43), plus applicable taxes.** The total payments over the Agreement Term are **One Hundred Forty Three Thousand Seven Hundred Eighty Two Dollars and Fifteen Cents (\$143,782.15), plus applicable taxes.** Customer is responsible for payment of all applicable taxes, if any. Payment details are set forth in Schedule 2 to Facility Program Addendum.

Payment Terms: Annual in advance. Payments are due and payable by Customer starting upon Agreement Effective Date and annually thereafter during the term of this Agreement.

Renewal: The Agreement Term, with respect to all Work other than the Facility Upgrade (the "Services"), will automatically be renewed for consecutive terms of one year unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the end of such term, or unless terminated as provided herein.

Patriot Act Notice. The USA PATRIOT Act requires us to obtain, verify, and record information that identifies you thus we ask for your name, address and other information or documents that substantiate your identity.

Exhibits. This Agreement is subject to the General Terms and Conditions herein provided, as well as the terms and conditions in the relevant Addendum or Exhibit applicable for each kind of Work attached to this Agreement.

Submitted by Honeywell:

Signature: Mark Wolle
Name: Mark Wolle
Title: Central District Sales Manager
Date: 9/9/2020

This proposal is valid for 60 days.

Acceptance: This proposal and the pages attached shall become an Agreement in accordance with Article 13 of the attached General Terms and Conditions only upon signature below by an authorized representative of Honeywell and Customer.

**Honeywell International Inc.
dba Honeywell Building Solutions**

PANA COMMUNITY UNIT DIST #8

Signature: _____
Name: _____
Title: _____
Date: _____

Signature: _____
Name: _____
Title: _____
Date: _____

Facility Upgrade Addendum (the “Addendum”)

This document acts as an addendum to the Honeywell Building Solutions Service Agreement (the “Agreement”) for the scope of work as more specifically described in attached Schedule 1.

In the event of any conflict between the terms of this Addendum and the General Terms and Conditions, the terms of this Addendum shall take precedence.

1.1 Facility Upgrade Program Scope

Facility Upgrade Program

The scope of work described in this Facility Upgrade Program section covers an upgrade (the “**Upgrade Program**”) of certain software to the then-current versions, certain hardware upgrades, and equipment as specifically described in attached Schedule 1 (such software, hardware upgrades, and equipment are collectively referred to as the “**Facility Upgrades**”). Upgrade Program details are as follows:

- A. On the Effective Date of the Agreement, Customer will begin participating in the Upgrade Program and will continue participating for the period of the Agreement Term, unless Customer exercises the buyout option described in Section D below, and otherwise subject to the terms and conditions of the Upgrade Program set forth herein.
- B. At Honeywell’s request, Customer shall confirm for Honeywell acceptance of the Facility Upgrades in writing; notwithstanding any such request, Customer shall be deemed to have accepted the Facility Upgrades upon the date that is 30 days after delivery and installation by Honeywell. No acceptance of any Facility Upgrades may be revoked by Customer.
- C. The total and periodic cost of the Facility Upgrades is described in Schedule 2 attached hereto (the “**Facility Upgrade Payments**”). For the sake of clarity, the Facility Upgrade Payments are for the Upgrade Program only and the payments for any other Work under this Agreement are the “**Service Payments**”; the Facility Upgrade Payments and Service Payments are each described in attached Schedule 2. Customer’s obligation to pay the Facility Upgrade Payments shall be absolute and unconditional and is not subject to any abatement, set-off, defense or counterclaim for any reason whatsoever. The terms for participation in the Upgrade Program are set forth in this Addendum and the Agreement, and the Facility Upgrade Payments are part of the total payments set forth on page 1 of the Agreement. Honeywell may at any time, without Customer’s consent, assign all or part of any interest in the Facility Upgrade Payments, including without limitation moneys otherwise due or to become due to Honeywell under the Upgrade Program, or any other rights of Honeywell under the Upgrade Program. IN SUCH AN EVENT, ALL OF HONEYWELL’S RIGHTS, POWERS AND PRIVILEGES CONTAINED IN THE UPGRADE PROGRAM TO THE EXTENT SO ASSIGNED SHALL INURE SOLELY TO THE BENEFIT OF AND MAY BE EXERCISED SOLELY BY OR ON BEHALF OF SUCH ASSIGNEE (“**ASSIGNEE**”), BUT THE ASSIGNEE SHALL NOT BE LIABLE FOR OR BE REQUIRED TO PERFORM ANY OF HONEYWELL’S OBLIGATIONS TO CUSTOMER (ALL SUCH OBLIGATIONS BEING RETAINED BY HONEYWELL). The right of the Assignee to the payment of assigned Facility Upgrade Payments and performance of all Customer’s obligations and the right to exercise any and all of Honeywell’s rights under the Upgrade Program shall not be subject to any abatement, defense, counterclaim or set-off which the Customer may have or assert against Honeywell or any third party (any such claims are not waived by Customer but must be asserted separately from Customer’s obligations hereunder to the Assignee). Customer shall make the Facility Upgrade Payments as instructed by the Assignee. Customer acknowledges that Honeywell and any Assignee will rely specifically upon Customer’s agreement with the terms of this Section C and that the financial accommodations extended to Customer under this Addendum would not be made without Customer’s agreement herewith.
- D. If Customer wishes to terminate this Agreement with respect to the Upgrade Program in accordance with the attached General Terms and Conditions, or for any other reason, Customer must pay Honeywell,

simultaneous with such termination, an amount equal to: (a) all due but unpaid Facility Upgrade Payments, accrued interest (if any), late charges, taxes and other amounts due as of the date of prepayment plus (b) the amount set forth on Schedule 3 corresponding to the applicable date of payment (collectively, the “**Termination Amount**”). Any such termination will only be effective upon payment of the Termination Amount. Customer’s termination of this Agreement with respect to the Upgrade Program (and payment of the Termination Amount) will not terminate this Agreement with respect to any other Work.

- E. Any expiration or termination of this Agreement for any reason, other than a termination by Customer under Section D above, will automatically result in termination of this Addendum and the termination of Customer’s participation in the Upgrade Program, and Customer shall pay the Termination Amount described in Section D above within five (5) business days after such expiration or termination. Customer agrees that the Termination Amount constitutes liquidated damages for loss of bargain and is not a forfeiture or penalty.
- F. As between Honeywell and Customer, Customer is the sole owner or licensee of the Facility Upgrades and is, and shall remain, responsible for all risk of loss or damage to the Facility Upgrades. Until the expiration or termination of this Agreement, Customer shall remain the sole owner or licensee of the Facility Upgrades and shall remain in sole possession of the Facility Upgrades. Customer will procure and maintain at Customer’s expense, property insurance for the full replacement value of the Facility Upgrades, and commercial general liability insurance in an amount acceptable to Honeywell. Customer will provide evidence of such insurance when requested, naming Honeywell as loss payee and as an additional insured. No such loss or damage to the Facility Upgrades shall relieve Customer from any obligation under this Addendum. In the event of damage to or loss or destruction of the Facility Upgrades (or any item thereof), Customer shall promptly notify Honeywell in writing of such fact and pay Honeywell the Termination Amount (or, at Honeywell’s sole option, a pro rata portion thereof if less than all of the Facility Upgrades are destroyed, whereupon the remaining Facility Upgrade Payments shall be reduced accordingly).
- G. To secure the prompt repayment of the Facility Upgrade Payments and all other amounts due under the Upgrade Program, Customer hereby grants to Honeywell a first priority security interest in the Facility Upgrades, whether now owned or hereafter acquired, together with all accessories, accessions, attachments thereto, and all other substitutions, renewals, replacements and improvements and all proceeds of the foregoing (collectively, “**Collateral**”). Customer covenants to keep the Collateral free and clear of all liens and encumbrances, except for Honeywell’s security interest therein. Customer hereby irrevocably authorizes Honeywell or its designee to execute and/or file such financing statements, continuations, assignments, amendments and/or other documents which Honeywell deems reasonably necessary to protect and continue Honeywell’s right, title and interest with respect to the Collateral.
- H. The term “**Event of Default**” shall mean any one or more of the following: (a) Customer shall fail to make any Facility Upgrade Payment, or pay the Termination Amount or any portion thereof, when due and such failure is not cured within ten (10) days; or (b) Customer shall fail to perform any covenant or agreement with respect to the Upgrade Program hereunder and such failure is not cured within 15 days after written notice from Honeywell; or (c) Customer or any guarantor of Customer’s obligations (each a “**Guarantor**”) shall commence any action for relief under any laws relating to bankruptcy, insolvency, reorganization or relief of debtors; or (d) Customer or any Guarantor shall die, or if an entity, enter into a merger or other transaction in which it is not the surviving entity, sell or transfer all or substantially all of its assets, dissolve itself or be terminated; or (e) this Agreement is terminated or suspended with respect to the Facility Upgrades for any reason.
- I. Upon the occurrence of any Event of Default, Honeywell (or Assignee, if applicable) may declare the Upgrade Program to be in default and exercise any one or more of the following remedies: (a) declare the Termination Amount, as defined in Section D hereof, to be immediately due and payable without notice or demand, (b) charge Customer interest on all moneys due Honeywell for any Facility Upgrade Payment or Termination Amount at the rate of one and one-half percent (1.5%) per month, compounded monthly, or the highest legal rate then allowed, from the occurrence of such Event of Default until paid

in full, which interest shall be payable upon demand by Honeywell, (c) collect from Customer all expenses incurred by Honeywell in connection with the enforcement of any of Honeywell's rights and remedies with respect to the Upgrade Program, including all expenses of repossessing, storing, shipping, repairing and selling the Facility Upgrades, (d) collect from Customer Honeywell's reasonable legal fees and expenses with respect to enforcement of rights and remedies with respect to the Upgrade Program, whether such fees and expenses arise in connection with a bankruptcy proceeding of Customer and/or any Guarantor, or otherwise, (e) require Customer to cease use of all Facility Upgrades and promptly deliver all Facility Upgrades to Honeywell, (f) require Customer to assemble all Facility Upgrades at Customer's expense, at a place reasonably designated by Honeywell, (g) take possession of any or all items of Facility Upgrades, without demand or notice; and (h) exercise or enforce any or all other rights or remedies available to Honeywell by law or agreement. If notice to Customer of any intended action with respect to the Facility Upgrades is required by law in a particular instance, such notice by Honeywell (or Assignee) shall be deemed commercially reasonable if given at least 10 calendar days prior to the date of intended action. Customer hereby waives any and all damages occasioned by such retaking, except to the extent that such damage is caused by Honeywell's gross negligence or willful misconduct. In the event Honeywell sells, leases or otherwise disposes of the Facility Upgrades, such disposition proceeds shall first be applied to any and all amounts owing to Honeywell pursuant to subsections (a), (b), (c) and (d) above, and then to all other amounts owed by Customer under any other agreement or contract with Honeywell, and Customer shall be liable for any deficiency. All remedies of Honeywell hereunder are cumulative and are in addition to any other remedies provided for by law. No failure or delay on the part of Honeywell to exercise any right or remedy shall operate as a waiver thereof or modify the terms of this Addendum.

SCHEDULE 1 TO ADDENDUM

Honeywell proposes to replace the existing Excel 5000 controllers with new ComfortPoint Open (CPO) DDC controllers. The new system will communicate to the existing Honeywell EBI front-end.

List of non-supported controllers to be replaced:

Quantity	Model Number	Description	Location
33	W7751H	Excel 10 Smart Variable Air Volume (VAV) Controller	High School
25	W7753A	Excel 10 Unit Ventilator (UV) Controller	High School
1	Q7750A2003	Excel 10 Zone Manager	High School
3	Excel 50	Excel 50 Controller for AHU-4	High School
		Excel 50 Controller for AHU-8	High School
		Excel 50 Controller for AHU-9	High School
4	Excel 100	Excel 100 Controller for AHU-1	High School
		Excel 100 Controller for AHU-2	High School
		Excel 100 Controller for AHU-3	High School
		Excel 100 Controller for AHU-6	High School
1	Excel 500 Panel consisting of: 1-XC5010 CPU Module 1-XP502 Power Supply Module 2-XF521 Analog Input Module 1-XF522 Analog Output Module 1-XF523 Digital Input Module 1 XF524 Digital Output Module	Controller for AHU-5	High School
1	Excel 500 Panel consisting of: 1-XC5010 CPU Module 1-XP502 Power Supply Module 3-XF521 Analog Input Module 2-XF522 Analog Output Module 1-XF523 Digital Input Module 1-XF524 Digital Output Module	Controller for AHU-7	High School
1	Excel 500 Panel consisting of: 1-XC5010 CPU Module 1-XP502 Power Supply Module 1-XF521 Analog Input Module 1-XF522 Analog Output Module 2-XF523 Digital Input Module 5-XF524 Digital Output Module	Controller for Hydronic System	High School

Direct Digital Control Hardware Replacement (Comfort Point Open)

Work included as part of this proposal is as follows:

- (9) new AHU controllers,
- (1) Hydronic controller
- (33) VAVs
- (25) Unit Ventilators.

All existing input and output sensors, valve and damper actuators shall be reused as all are compatible with the new controllers. (*Savings*)

CPO conversion kit will be installed for existing three XL500 controllers which will eliminate the need to re-wire the panel Input/Outputs. (*Savings*)

Cat 5e network wiring will be provided for 3 of the AHUs

For remaining AHUs, VAVs and Unit Vents, new BACnet MSTP cables will be provided.

The existing EBI graphics will be reprogrammed with the new CPO data points.

For the VAVs and Unit Vents, additional point information which is not currently available will be programmed onto the graphics.



New Controllers

Direct Digital Control EBI Software Upgrade replacement:

Work included as part of this proposal is as follows:

- R600 EBI Integrator License w/ cumulative updates
 - 1000 points
 - Graphic checkout
 - Set up basic trends
- Software Design/Application Engineer for BMS/HVAC data points
Commissioning Tech for BMS/HVAC data points
Project Management
Travel, Mileage
Warranty
8 hours of customer training will be provided

Additional Clarification and/or Exclusions:

- Honeywell will not proceed with any work (engineering, material ordering, on-site rough in, etc.) without a fully executed contract.
- This proposal does not include any other upgrades to existing equipment or systems.
- Normal working hours
- Excludes repair to any communications issues if they currently exist.
- All existing input and output sensors, valve and damper actuators, and any other existing equipment is assumed functional. If existing devices are not working, repair or replacement is not part of this proposal and will be handled as a change order to the contract.
Excludes Server and work stations

SCHEDULE 2 TO ADDENDUM

(Facility Upgrades & Services Payments)

Year 1 Cost for Facility Upgrades:	\$28,756.43
Year 1 Cost for Services:	\$0.00
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Total Year 1 Cost:	\$28,756.43
Year 2 Cost for Facility Upgrades:	\$28,756.43
Year 2 Cost for Services:	\$0.00
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Total Year 2 Cost:	\$28,756.43
Year 3 Cost for Facility Upgrades:	\$28,756.43
Year 3 Cost for Services:	\$0.00
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Total Year 3 Cost:	\$28,756.43
Year 4 Cost for Facility Upgrades:	\$28,756.43
Year 4 Cost for Services:	\$0.00
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Total Year 4 Cost:	\$28,756.43
Year 5 Cost for Facility Upgrades:	\$28,756.43
Year 5 Cost for Services:	\$0.00
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Total Year 5 Cost:	\$28,756.43

Payments for Services after Year 5 will escalate at N/A% annually. The amounts set forth above do not include applicable taxes. Customer will pay all applicable taxes (if any) in addition to the amounts set forth above.

SCHEDULE 3 TO ADDENDUM

(Portion of Termination Amount referred to in Section 1.1(D)(b) of the Addendum)

Present Price	\$143,782.15
After Year 1	\$115,025.72
After Year 2	\$86,269.29
After Year 3	\$57,512.86
After Year 4	\$28,756.43

Honeywell Building Solutions Service Agreement (United States) - General Terms and Conditions

General Terms and Conditions

1. WORKING HOURS

Unless otherwise stated, all labor and services under this Agreement will be performed during the hours of 8:00 a.m. - 4:30 p.m. local time Monday through Friday, excluding federal holidays. If for any reason Customer requests Honeywell to furnish any labor or services outside of the hours of 8:00 a.m. - 4:30 p.m. local time Monday through Friday (or on federal holidays), any overtime or additional expenses, such as repairs or material costs not included in this Agreement, will be billed to and paid by Customer.

2. TAXES

2.1 Customer agrees to pay the amount of any new or increased taxes or governmental charges upon labor or the production, shipment, sale, installation, or use of equipment or software which become effective after the date of this Agreement. If Customer claims any such taxes do not apply to transactions covered by this Agreement, Customer shall provide Honeywell with a tax exemption certificate acceptable to the applicable taxing authorities.

2.2 Tax-Related Cooperation. Customer agrees to execute any documents and to provide additional reasonable cooperation to Honeywell related to Honeywell tax filings under Internal Revenue Code Section 179D. Honeywell will be designated the sole Section 179D beneficiary.

3. PROPRIETARY INFORMATION

3.1 All proprietary information (as defined herein) obtained by Customer from Honeywell in connection with this Agreement will remain the property of Honeywell, and Customer will not divulge such information to any third party without prior written consent of Honeywell. The term "proprietary information" means written information (or oral information reduced to writing), or information in machine-readable form, including but not limited to software supplied to Customer which Honeywell deems proprietary or confidential and characterizes as proprietary at the time of disclosure to Customer by marking or labeling the same "Proprietary," "Confidential," or "Sensitive". The Customer shall incur no obligations hereunder with respect to proprietary information which: (a) was in the Customer's possession or was known to the Customer prior to its receipt from Honeywell; (b) is independently developed by the Customer without the utilization of such confidential information of Honeywell; (c) is or becomes public knowledge through no fault of the Customer; (d) is or becomes available to the Customer from a source other than Honeywell; (e) is or becomes available on an unrestricted basis to a third party from Honeywell or from someone acting under its control; (f) is received by Customer after notification to Honeywell that the Customer will not accept any further information.

3.2 Customer agrees that Honeywell may use nonproprietary information pertaining to the Agreement, and the work performed under the Agreement, for press releases, case studies, data analysis, promotional purposes, and other similar documents or statements to be publicly released. The rights and obligations in this Section 3 shall survive expiration or termination of this Agreement.

4. INSURANCE OBLIGATIONS

Honeywell shall, at its own expense, carry and maintain in force at all times from the effective date of the Agreement through final completion of the work the following insurance. It is agreed, however, that Honeywell has the right to insure or self-insure any of the insurance coverages listed below:

- (a) Commercial General Liability Insurance to include contractual liability, products/completed operations liability with a combined single limit of USD \$5,000,000 per occurrence. Such policy will be written on an occurrence form basis;
- (b) If automobiles are used in the execution of the Agreement, Automobile Liability Insurance with a minimum combined single limit of USD \$5,000,000 per occurrence. Coverage will include all owned, leased, non-owned and hired vehicles.
- (c) Where applicable, "All Risk" Property Insurance, including Builder's Risk insurance, for physical damage to property which is assumed in the Agreement.
- (d) Workers' Compensation Insurance Coverage A - Statutory limits and Coverage B-Employer's Liability Insurance with limits of USD \$1,000,000 for bodily injury each accident or disease.

Prior to the commencement of the Agreement, Honeywell will furnish evidence of said insurance coverage in the form of a Memorandum of Insurance which is accessible at: <http://honeywell.com/sites/moi/>. All insurance required in this Article will be written by companies with a rating of no less than "A-, XII" by A.M. Best or equivalent rating agency. Honeywell will endeavor to provide a thirty (30) day notice of cancellation or non-renewal to the Customer. In the event that a self-insured program is implemented, Honeywell will provide adequate proof of financial responsibility.

5. HAZARDOUS SUBSTANCES, MOLD AND UNSAFE WORKING CONDITIONS

5.1 Customer has not observed or received notice from any source (formal or informal) of (a) Hazardous Substances or Mold, either airborne or on or within the walls, floors, ceilings, heating, ventilation and air conditioning systems, plumbing systems, structure, and other components of the site, or within furniture, fixtures, equipment, containers or pipelines in a site; or (b) conditions that, to Customer's knowledge, might cause or promote accumulation, concentration, growth or dispersion of Hazardous Substances or Mold on or within such locations.

5.2 Honeywell is not responsible for determining whether the Covered Equipment or the temperature, humidity and ventilation settings used by Customer, are appropriate for Customer and the site except as specifically provided in an attached Work Scope Document.

5.3 If any such materials, situations or conditions, whether disclosed or not, are in fact discovered by Honeywell or others and provide an unsafe condition for the performance of the Work, the discovery of the condition shall constitute a cause beyond Honeywell's reasonable control and Honeywell shall have the right to cease the Work until the area has been made safe by Customer or Customer's representative, at Customer's expense. Honeywell shall have the right to terminate this Agreement if Customer has not fully remediated the unsafe condition within sixty (60) days of discovery.

5.4 Customer represents that Customer has not retained Honeywell to discover, inspect, investigate, identify, prevent or remediate Hazardous Substances or Mold or conditions caused by Hazardous Substances or Mold.

5.5 Customer is responsible for the containment of any and all refrigerant stored on or about the premises. Customer accepts all responsibility for and agrees to indemnify Honeywell against any and all claims, damages, or causes of action that arise out of the storage, consumption, loss and/or disposal of refrigerant, except to the extent Honeywell has brought refrigerant onsite and is directly and solely negligent for its mishandling.

6. WARRANTY

6.1 Honeywell will replace or repair any product Honeywell provides under this Agreement that fails within the warranty period of one (1) year because of defective workmanship or materials, except to the extent the failure results from Customer negligence, fire, lightning, water damage, or any other cause beyond the control of Honeywell. This warranty is effective as of the date of Customer acceptance of the product or the date Customer begins beneficial use of the product, whichever occurs first, and shall terminate and expire one (1) year after such effective date. Honeywell's sole obligation, and Customer's sole remedy, under this warranty is repair or replacement, at Honeywell's election, of the applicable defective products within the one (1) year warranty period. All products repaired or replaced, if any, are warranted only for the remaining and unexpired portion of the original one (1) year warranty period.

6.2 EXCEPT AS EXPRESSLY PROVIDED IN SECTION 6.1, HONEYWELL MAKES NO REPRESENTATIONS OR WARRANTIES, WHETHER WRITTEN, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND HEREBY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE AND ANY AND ALL WARRANTIES REGARDING HAZARDOUS SUBSTANCES OR MOLD. NO EXTENSION OF THIS WARRANTY WILL BE BINDING UPON HONEYWELL UNLESS SET FORTH IN WRITING AND SIGNED BY HONEYWELL'S AUTHORIZED REPRESENTATIVE.

6.3 Honeywell shall have no duty, obligation or liability, all of which Customer expressly waives, for any damage or claim, whether known or unknown, including but not limited to property damage, personal injury, loss of income, emotional distress, death, loss of use, loss of value, adverse health effect or any special, consequential, punitive, exemplary or other damages, regardless of whether such damages may be caused by or otherwise associated with defects in the Work, in whole or in part due to or arising from any investigation, testing, analysis, monitoring, cleaning,

removal, disposal, abatement, remediation, decontamination, repair, replacement, relocation, loss of use of building, or equipment and systems, or personal injury, death or disease in any way associated with Hazardous Substances or Mold.

7. INDEMNITY

Customer agrees to indemnify, defend and hold harmless Honeywell and its officers, directors, employees, affiliates and agents (each, an "indemnitee") from and against any and all actions, lawsuits, losses, damages, liabilities, claims, costs and expenses (including, without limitation, reasonable attorneys' fees) caused by, arising out of or relating to Customer's breach or alleged breach of this Agreement or the negligence or willful misconduct (or alleged negligence or willful misconduct) of Customer or any other person under Customer's control or for whom Customer is responsible. **WITHOUT LIMITING THE FOREGOING, TO THE FULLEST EXTENT ALLOWED BY LAW, CUSTOMER SHALL INDEMNIFY AND HOLD HONEYWELL AND EACH OTHER INDEMNITEE HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS AND COSTS OF WHATEVER NATURE, INCLUDING BUT NOT LIMITED TO, CONSULTANTS' AND ATTORNEYS' FEES, DAMAGES FOR BODILY INJURY AND PROPERTY DAMAGE, FINES, PENALTIES, CLEANUP COSTS AND COSTS ASSOCIATED WITH DELAY OR WORK STOPPAGE, THAT IN ANY WAY RESULTS FROM OR ARISES UNDER THE BREACH OF THE REPRESENTATIONS AND WARRANTIES OF CUSTOMER IN SECTION 5, THE EXISTENCE OF MOLD OR A HAZARDOUS SUBSTANCE AT A SITE, OR THE OCCURRENCE OR EXISTENCE OF THE SITUATIONS OR CONDITIONS DESCRIBED IN SECTION 5, WHETHER OR NOT CUSTOMER PROVIDES HONEYWELL ADVANCE NOTICE OF THE EXISTENCE OR OCCURRENCE AND REGARDLESS OF WHEN THE HAZARDOUS SUBSTANCE OR OCCURRENCE IS DISCOVERED OR OCCURS.** Customer may not enter into any settlement or consent to any judgment without the prior written approval of each indemnitee. This Section 7 shall survive termination or expiration of this Agreement for any reason.

8. LIMITATION OF LIABILITY

NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, (I) IN NO EVENT WILL HONEYWELL BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, EXEMPLARY, STATUTORY, OR INDIRECT DAMAGES, LOSS OF PROFITS, REVENUES, OR USE, OR THE LOSS OR CORRUPTION OF DATA OR UNAUTHORIZED ACCESS TO OR USE OR MISAPPROPRIATION OF DATA BY THIRD PARTIES, EVEN IF INFORMED OF THE POSSIBILITY OF ANY OF THE FOREGOING, AND (II) THE AGGREGATE LIABILITY OF HONEYWELL FOR ANY CLAIMS ARISING OUT OF OR RELATED TO THIS AGREEMENT WILL IN NO CASE EXCEED THE PRICE. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THESE LIMITATIONS AND EXCLUSIONS WILL APPLY WHETHER LIABILITY ARISES FROM BREACH OF CONTRACT, INDEMNITY, WARRANTY, TORT, OPERATION OF LAW, OR OTHERWISE.

9. EXCUSABLE DELAYS

Honeywell is not liable for damages caused by delay or interruption in Work due to fire, flood, corrosive substances in the air, strike, lockout, dispute with workmen, inability to obtain material or services, commotion, war, acts of God, the presence of Hazardous Substances or Mold, or any other cause beyond Honeywell's reasonable control. Should any part of the system or any equipment be damaged by fire, water, lightning, acts of God, the presence of Hazardous Substances or Mold, third parties or any other cause beyond the control of Honeywell, any repairs or replacement will be paid for by Customer. In the event of any such delay, date of shipment or performance will be extended by a period equal to the time lost by reason of such delay, and Honeywell will be entitled to recover from Customer its reasonable costs, overhead, and profit arising from such delay.

10. PATENT INDEMNITY

10.1 Honeywell shall, at its expense, defend or, at its option, settle any suit that may be instituted against Customer for alleged infringement of any United States patents related to the hardware or software manufactured and provided by Honeywell under this Agreement ("the equipment"), provided that a) such alleged infringement consists only in the use of such equipment by itself and not as part of, or in combination with, any other devices, parts or software not provided by Honeywell hereunder, b) Customer gives Honeywell immediate notice in writing of any such suit and permits Honeywell, through counsel of its choice, to answer the charge of infringement and defend such suit, and c) Customer gives Honeywell all needed information, assistance and authority, at Honeywell's expense, to enable Honeywell to defend such suit.

10.2 If such a suit has occurred, or in Honeywell's opinion is likely to occur, Honeywell may, at its election and expense: a) obtain for Customer the right to continue using such equipment; b) replace, correct or modify it so that it is not infringing; or if neither a) or b) is not reasonable then c) remove such equipment and grant Customer a credit therefore, as depreciated.

10.3 In the case of a final award of damages in any such suit, Honeywell will pay such award. Honeywell will not, however, be responsible for any settlement made without its written consent.

10.4 THIS ARTICLE STATES HONEYWELL'S TOTAL LIABILITY AND CUSTOMER'S SOLE REMEDY FOR ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY PATENT BY THE HARDWARE MANUFACTURED AND PROVIDED BY HONEYWELL HEREUNDER.

11. SOFTWARE LICENSE

All software provided in connection with this Agreement shall be licensed and not sold. The end user of the software will be required to sign a license agreement with provisions limiting use of the software to the equipment provided under these specifications, limiting copying, preserving confidentiality, and prohibiting transfer to a third party. Licenses of this type are standard for computer-based equipment of the type covered by this Agreement. Customer shall be expected to grant Honeywell access to the end user for purposes of obtaining the necessary software license.

12. DISPUTE RESOLUTION

With the exception of any controversy or claim arising out of or related to the installation, monitoring, and/or maintenance of fire and/or security systems, the Parties agree that any controversy or claim between Honeywell and Customer arising out of or relating to this Agreement, or the breach thereof, will be settled by arbitration in a neutral venue, conducted in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association. Any award rendered by the arbitrator will be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. Any controversy or claim arising out of or related to the installation, monitoring, and/or maintenance of systems associated with security and/or the detection of, and/or reduction of risk of loss associated with fire will be resolved in a court of competent jurisdiction.

Notwithstanding anything herein to the contrary, Honeywell and any assignee of any of Honeywell's rights under this Agreement retain an option to use judicial or non-judicial relief to recover the software or hardware or to enforce our security interest in the software or hardware, to enforce the monetary obligation secured by the software or hardware or to foreclose on the software and hardware. Such judicial relief would take the form of a lawsuit. The institution and maintenance of any action for judicial relief in a court to foreclose upon any interests in the software or hardware, to obtain a monetary judgment or to enforce this Agreement in connection with the interests granted hereunder in the software or hardware shall not constitute a waiver of the right of any party to compel arbitration regarding any other dispute or remedy subject to arbitration in this Agreement. **THE PARTIES TO THIS AGREEMENT EACH WAIVE THE RIGHT TO A TRIAL BY JURY IN THE EVENT THAT JUDICIAL RELIEF IS SOUGHT IN ACCORDANCE WITH THE FOREGOING.**

13. ACCEPTANCE

This proposal and the pages attached shall become an Agreement upon signature above by Honeywell and Customer. The terms and conditions are expressly limited to the provisions hereof, including Honeywell's General Terms and Conditions attached hereto, notwithstanding receipt of, or acknowledgment by, Honeywell of any purchase order, specification, or other document issued by Customer. Any additional or different terms set forth or referenced in Customer's purchase order are hereby objected to by Honeywell and shall be deemed a material alteration of these terms and shall not be a part of any resulting order.

14. MISCELLANEOUS

14.1 This Agreement represents the entire Agreement between Customer and Honeywell for the Work described herein and supersedes all prior negotiations, representations or Agreements between the Parties related to the work described herein.

14.2 None of the provisions of this Agreement shall be modified, altered, changed or voided by any subsequent Purchase Order or other document unilaterally issued by Customer that relates to the subject matter of this Agreement. This Agreement may be amended only by written instrument signed by both Parties.

14.3 This Agreement is governed by the law of the State where the work is to be performed.

14.4 Any provision or part of this Agreement held to be void or unenforceable under any laws or regulations will be deemed stricken, and all remaining provisions will continue to be valid and binding upon Honeywell and Customer, who agree that this Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

14.5 Customer may not assign or transfer its rights or delegate its obligations under this Agreement, in whole or in part, without the prior written consent of Honeywell. Honeywell may assign or transfer this Agreement, in whole or in part, or any of its rights or obligations under this Agreement without consent.

14.6 Notwithstanding any other provision of this Agreement or any other agreement and to the extent permitted by applicable law, Honeywell and its affiliates may, in any country in which they or their agents or suppliers conduct business, during and after the term of this Agreement, (a) collect, transmit, receive, process, maintain, modify, and use for any purpose, and disseminate, disclose, license, and sell in anonymized or aggregated form, all data and information obtained in connection with this Agreement, and (b) assign or transfer the rights under this Section 14.6. To the extent required by Honeywell, Customer will enable Internet connectivity between its applicable system(s) and the Honeywell Sentience™ cloud platform, or other Honeywell-utilized system(s), and hereby consents to such connectivity throughout the term of this Agreement. This Section 14.6 shall survive expiration or termination of this Agreement.

15. COVERAGE

15.1 Customer agrees to provide access to all equipment covered by this Agreement. Honeywell will be free to start and stop all primary equipment incidental to the operation of the mechanical, control, automation, and life safety system(s) as arranged with Customer's representative.

15.2 It is understood that the repair, replacement, and emergency service provisions apply only to the equipment included in the Covered Equipment listed in the work scope attachment for the respective Services. Repair or replacement of non-maintainable parts of the system such as, but not limited to, ductwork, piping, shell and tube (for boilers, evaporators, condensers, and chillers), unit cabinets, boiler refractory material, heat exchangers, insulating material, electrical wiring, hydronic and pneumatic piping, structural supports and other non-moving parts, is not included under this Agreement. Costs to repair or replace such non-maintainable parts will be the sole responsibility of Customer.

15.3 Honeywell will not reload software, nor make repairs or replacements necessitated by reason of negligence or misuse of the equipment by persons other than Honeywell or its employees, or caused by lightning, electrical storm, or other violent weather or by any other cause beyond Honeywell's control. Honeywell will provide such services at Customer's request and at an additional charge. Customer is entitled to receive Honeywell's then current preferred-Customer labor rates for such services.

15.4 Honeywell may install diagnostic devices and/or software at Honeywell's expense to enhance system operation and support. Upon termination of this Agreement, Honeywell may remove these devices and return the system to its original operation. Customer agrees to provide, at its sole expense, connection to the switched telephone network for the diagnostic devices and/or software.

15.5 Honeywell will review the Services delivered under this Agreement on an annual basis, unless otherwise noted.

15.6 This Agreement assumes that the systems and/or equipment included in the Covered Equipment listed in the work scope attachment for the respective Services are in maintainable condition. If repairs are necessary upon initial inspection or initial seasonal start-up, repair charges will be submitted for approval. Should these charges be declined, those non-maintainable items will be eliminated from coverage under this Agreement and the price adjusted accordingly.

15.7 In the event that the system or any equipment component thereof is altered, modified, changed or moved, this Agreement may be immediately adjusted or terminated, at Honeywell's sole option. HONEYWELL is not responsible for any damages resulting from such alterations, modifications, changes or movement.

15.8 Honeywell is not responsible for maintaining a supply of, furnishing and/or replacing lost or needed refrigerants not otherwise expressly required under this Agreement. Customer is solely responsible for the cost of material and labor of any such refrigerant not otherwise provided for under this Agreement at current market rates.

15.9 Maintenance, repairs, and replacement of equipment parts and components are limited to restoring to proper working condition. Honeywell is not obligated to provide replacement software, equipment, components and/or parts that represent a significant betterment or capital improvement to Customer's system(s) hereunder.

15.10 Unless otherwise specified, Customer retains all responsibility for maintaining LANs, WANs, leased lines and/or other communication mediums incidental or essential to the operation of the system(s) or equipment found included in the Covered Equipment.

15.11 Customer will promptly notify Honeywell of any malfunction in the system(s) or equipment covered under this Agreement that comes to Customer's attention.

16. TERMS OF PAYMENT

16.1 Subject to Honeywell's approval of Customer's credit, Customer will pay or cause to be paid to Honeywell the full price for the Work as specified on the first or second page of this Agreement. Unless otherwise specified on the first or second page of this Agreement, Honeywell will submit annual invoices to Customer in advance for Work to be performed during the subsequent billing period, and payment shall be due within twenty (20) days after Customer's receipt of each such invoice. Payments for Work past due more than five (5) days shall accrue interest from the due date to the date of payment at the rate of one and one-half percent (1.5%) per month, compounded monthly, or the highest legal rate then allowed. Customer will pay all attorney and/or collection fees incurred by Honeywell in collecting any past due amounts.

16.2 **Price Adjustment.** Honeywell may annually adjust the amounts charged for the Services provided.

17. TERMINATION

17.1 Customer may terminate this Agreement for cause if Honeywell defaults in the performance of any material term of this Agreement, or fails or neglects to carry forward the Services in accordance with this Agreement, after giving Honeywell written notice of its intent to terminate. If, within thirty (30) days following receipt of such notice, Honeywell fails to cure or perform its obligations, Customer may, by written notice to Honeywell, terminate this Agreement.

17.2 Honeywell may terminate this Agreement for cause (including, but not limited to, Customer's failure to make payments as agreed herein) after giving Customer written notice of its intent to terminate. If, within ten (10) days following receipt of such notice, Customer fails to make the payments then due, or otherwise fails to cure or perform its obligations, Honeywell may, by written notice to Customer, terminate this Agreement and recover from Customer payment for Work performed and for losses sustained for materials, tools, construction equipment and machinery, including but not limited to, reasonable overhead, profit and applicable damages.

17.3 **Cancellation** - This Agreement may be canceled at Honeywell's option in the event Honeywell equipment on Customer's premises is destroyed or substantially damaged. Likewise, this Agreement may be canceled at Customer's option in the event Customer's premises are destroyed. In the event of such cancellation, neither party shall be liable for damages or subject to any penalty, except that Customer will remain liable for Work rendered to the date of cancellation and any Termination Amount due under the Addendum.

18. DEFINITIONS

18.1 "Hazardous substance" includes all of the following, whether naturally occurring or manufactured, in quantities, conditions or concentrations that have, are alleged to have, or are believed to have an adverse effect on human health, habitability of a site, or the environment: (a) any dangerous, hazardous or toxic pollutant, contaminant, chemical, material or substance defined as hazardous or toxic or as a pollutant or contaminant under state or federal law, and (b) any petroleum product, nuclear fuel or material, carcinogen, asbestos, urea formaldehyde, foamed-in-place insulation, polychlorinated biphenyl (PCBs), and (c) any other chemical or biological material or organism, that has, is alleged to have, or is believed to have an adverse effect on human health, habitability of a site, or the environment.

18.2 "Mold" means any type or form of fungus or biological material or agent, including mold, mildew, moisture, yeast and mushrooms, and any mycotoxins, spores, scents, or by-products produced or released by any of the foregoing. This includes any related or any such conditions caused by third parties.

18.3 "Covered Equipment" means the equipment covered by the Work to be performed by Honeywell under this Agreement, and is limited to the equipment included in the respective work scope attachments.

18.4 "Services" means those services and obligations to be undertaken by Honeywell, as more fully detailed in the attached work scope document(s), which are incorporated herein; provided, however, that Services do not include the Upgrade Program. The Upgrade Program and the Services together constitute the "Work."

Honeywell Building Solutions
Request for Insurance Certificate

(PLEASE FORWARD THIS TO YOUR INSURANCE AGENT)

Re: Agreement No. _____

To Insurance Agent: _____

Phone: _____

Agency: _____

Fax: _____

Address: _____

Your Customer listed below is financing / leasing equipment through us.

WE MUST HAVE INSURANCE COVERAGE in place that: (i) names “**Honeywell International Inc., dba Honeywell Building Solutions ISAOA**” (“HONEYWELL”) as a Loss Payee and Additional Insured, and there is a lender's loss payable endorsement in favor of HONEYWELL as loss payee on all property damage policies; (ii) each policy has been endorsed to provide that, as respects HONEYWELL, the insurance shall not be invalidated by any action or inaction of Customer or any other person other than HONEYWELL, and shall insure HONEYWELL regardless of any breach or violation of any warranty, declaration, term or condition contained in such policy by Customer or any person other than HONEYWELL; (iii) each policy has been endorsed to provide HONEYWELL with 30 days' advance written notice of any material change or cancellation or nonrenewal of such policy; and (iv) each policy contains a waiver releasing any rights of subrogation against HONEYWELL for any and all claims, losses or damages covered under the above required insurance.

Property Damage/Contents Coverage: All-risk insurance is to be provided for fire, theft, extended coverage, vandalism and malicious mischief for the full replacement value of the equipment; and

Comprehensive General Liability: Coverage should be written with minimum limits of \$1,000,000/\$2,000,000 for bodily injury and \$1,000,000/\$2,000,000 for property damage.

Property Location/Description should note the following: “Coverage is extended to cover all equipment related to Honeywell Building Solutions Services Agreement, Proposal # _____ entered into between the Insured and named Certificate Holder on _____ and any add-ons subsequently made there to.

Please provide us with a certificate of insurance as follows:

YOUR CUSTOMER:

Phone: _____

Fax: _____

Attention: _____

LOSS PAYEE/ ADDITIONAL INSURED

Honeywell International Inc.,

dba Honeywell Building Solutions ISAOA

1985 Douglas Drive North

Golden Valley, MN 55422

EQUIPMENT TO BE INSURED:

** Refer to Scope of Work **

EQUIPMENT LOCATION: _____

INSURABLE VALUE: \$143,782.15

EFFECTIVE DATE: _____

Honeywell Building Solutions
Billing Information Request

In order to properly bill and credit your account it is necessary that you complete this form and return it with your other signed documents.

Billing Name: _____

Billing Address: _____
(Street Address)

(County, City, State, Zip)

Attention: _____
(Name of individual who will process payments)

How much advance billing time do you need? _____ days (up to 45 days)

Telephone number: _____ Federal Tax ID# _____

Fax number: _____ Email: _____

Equipment Location: _____
(if different from Billing Address)

Are you tax exempt: _____ (If yes please provide certificate)

SPECIAL INSTRUCTIONS

Do you require a Purchase Order Number on the invoice? If so, please provide _____

Your fiscal year is from _____ to _____

Is a new Purchase Order required for each new fiscal period? _____

Is it necessary for a voucher to accompany our invoice? If so, please provide.

Additional comments: _____

Customer Name: _____

Signature: By: _____

Print Name and Title: _____

Date: _____