



EAST GRAND FORKS ISD 595 – BOILER REPLACEMENT PROJECT

Date: December 16, 2025

Name: East Grand Forks ISD 595 – South Point Boiler Replacement Project

Document Type: Contract Proposal

East Grand Forks ISD 595

Owner: East Grand Forks ISD 595

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East Grand Forks, MN 56721

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Owner Contact: Kevin Grover

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Johnson Controls Inc

Name: Johnson Controls Inc.

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PARTNERING WITH JOHNSON CONTROLS

Sourcewell Cooperative Purchasing

Sourcewell helps its members save time and money by combining the buying power of 50,000 government, education, and nonprofit organizations. Their members simply pick the appropriate contract or suppliers and Sourcewell does the rest.

Sourcewell holds hundreds of competitively solicited cooperative contracts ready for use. Contracts vary from a wide array of products and services. Sourcewell awards contracts at the manufacturing level, but they can be leveraged locally to support the local dealer.

Competitive Solicitation

In 2021 Sourcewell solicited the Request for Proposal (RFP) #070121 entitled HVAC Systems, Installation, and Service with Related Products and Supplies. This RFP was advertised nationally in several places. Johnson Controls responded to the RFP along with several competitors. A Proposal Evaluation Committee used the established RFP evaluation criteria and determined JCI's proposal response met Level-One and Level-Two Responsiveness and was evaluated. JCI ranked #1 in every evaluation category and the committee recommended the award of Contract #070121 to Johnson Controls.

Proposal Evaluation Committee's Note regarding JCI's RFP Response:

"Johnson Controls maintains 160 branch offices in the US and Canada, with over 4,500 service providers directly-employed. They design, install, maintain, and service HVAC, energy management, and controls systems to comprehensively serve member needs. Johnson Controls incorporates certified minority-owned suppliers, as well as smaller disadvantaged businesses, into their projects, spending more than \$1 billion annually with minority- and women-owned businesses. Their pricing reflects a substantial discount of local branch labor rates and list prices on the York line of chillers and air handling equipment, and competitive mark-up rates on non-Johnson Controls equipment."

In July of 2021 JCI was awarded Sourcewell Contract Number 070121-JHN for HVAC Systems, Installation, and Service with Related Products and Supplies.





Sourcewell Issued an RFP for
HVAC Systems, Installation, & Service
& Awarded JCI Contract #030817-JHN

East Grand Forks ISD 595
Utilizes Sourcewell Contract

JCI Creates a Proposal
Using the Sourcewell Contract Pricing

This contract has simplified the procurement options for our customers. We have developed a Prime Retrofit Team to help become your trusted partner for the much-needed deferred capital projects and infrastructure objectives. Sourcewell does not have any membership fees. JCI can help pull together pricing for your projects under a simplified procurement process without all the hassle normally associated with public construction projects.



PROJECT PRICING

Proposed Pricing

We propose to furnish the materials and/or perform the work described above at the East Grand Forks Public Schools for the net price of:

Facility Improvement Measure (FIM) List:

FIM 1: South Point Elementary – Boiler Replacement Project

Total Project Cost: \$363,775.00** . _____ Initial to accept

**This project will be executed underneath the Sourcwell contract awarded to Johnson Controls. Contract #080824-JHN

Scope of Work

This proposal incorporates the responsibilities for Design-Build services for the Facility Improvement Measure(s) and their individual scopes of work referenced in this proposal.

Terms and Conditions

Johnson Controls has developed the following turnkey proposal which follows procurement laws in accordance to Minnesota Statue.

Project Approval

This proposal is hereby accepted, and Johnson Controls is authorized to proceed with the work, subject to credit approval by Johnson Controls, Inc. Milwaukee, WI.

This Proposal is Valid Until January 14, 2026.

East Grand Forks ISD 595

By: **Kevin Grover**

Signature: _____

Title: **Superintendent**

Date: _____

Owner PO#: _____

Johnson Controls Inc.

By: **Nicholas Thomes**

Signature: _____

Title: **Account Rep Owner**

Date: _____



PROJECT OVERVIEW

Objective

East Grand Forks ISD 595 has requested Johnson Controls to work in partnership to develop a proposal to replace their existing non-condensing boiler in the mechanical room of South Point Elementary. After 26 years of run-time, the existing PVI boiler is near the end of its useful life and the school district should begin budgeting for a replacement. The goal is to be able to reset the useful life of the facility's boiler system. This project will undergo a MN State Review and have professional engineering services which will include signed and stamped drawings.

Prime Retrofit Services

JCI will provide the design and construction services for the Facility Improvement Measures (FIMs) identified below. Based upon the conversations and information supplied by East Grand Forks ISD 595, JCI will furnish, install, and coordinate the on-site construction activities of each FIM below.

Facility Improvement Measure (FIM) List:

FIM 1: South Point Elementary – Boiler Replacement Project

The full project schedule for these FIMs will be developed once our Prime Retrofit Team has met with the owner. We will ensure that both have had time to coordinate a phasing schedule according to lead times, labor availability, and building schedules. To begin the process of outlining our schedule, our design services will be scheduled to begin after we have a fully executed contract.

During the lead time of the equipment orders we will work together with the owner to develop a constructability review and construction schedule for all these projects. We will make a list of the best way to schedule this work together. Each FIM will be completed in phases as will be determined by the meetings we coordinate with the owner. A full project schedule will be assembled and reviewed with the owner. The project schedule will dictate a schedule for each FIM and will be clearly communicated with the staff.

The following section outlines a process for working together as a partner for East Grand Forks ISD 595.



Design-Build Process

Overview: JCI's Prime Retrofit Team will be responsible to work with Owner to complete all the associated work for the proposed project. It will be the Prime Retrofit Team's job to ensure that this project will run smoothly and efficiently and to keep the owner informed of the project progress along the way.

Project Kick Off Meeting: The Project Kick Off Meeting will be held with the JCI Development Team and the Owner's Administration and Operations Team. Our Project Manager will be introduced, and the Owner will introduce the staff that will be involved in any communication during this project. During this meeting the JCI's Lead Project Development Personnel will transferring the communication for the contracted scopes between JCI and the Owner over to JCI's Project Manager. During the meeting will review each individual contracted scope of work. JCI will coordinate with the Owner's personnel so that we establish a clear line of communication.

Project Phase & Constructability Review: The intent of having a Project Phase and Constructability Review is to begin a project schedule that is of mutual benefit to both parties. This project and Facility Improvement Measure listed below will bring the equipment and systems up to date to meet current engineering guidelines and codes. It is important that we build a reliable plan to execute this FIM in the most efficient and productive way possible. JCI will work to structure our project to align with the Owner's needs and priorities. Together we will review how each FIM will impact the overall construction and look for how we can fit it into our overall schedule. We will coordinate according to what is in the mutual best interest of the project and the owner's needs.

Procurement: Long lead materials and equipment will be identified at the beginning of this project and the Prime Retrofit Team will quickly procure and track the progress of these items to minimize delays. In addition, the Prime Retrofit Team will meet with qualified local subcontractors, tradesman, & vendors and find the best team for this project. All subcontractors hired by JCI will communicate and coordinate directly through JCI's representatives during this project not the owner. Qualifications for subcontractors will include their prior history with JCI & the owner as well as their pricing, bonding, and ability to meet the project schedule.

Scheduling: Initial Milestone Schedules will be submitted to the owner after the Project Phase & Constructability Review. The Project Schedule will be updated as needed throughout the project to ensure clear communication of the areas of work. JCI's Project Manager will ensure that we release the submittals in a timely fashion the equipment and materials arrive on time. The Prime Retrofit Team will be responsible to ensure that our specialty subcontractors bring the proper manpower to the site to meet the schedule. It will be necessary to update our project schedule however we will strive to meet our project milestones. The schedule will be revisited during the ongoing progress meetings.

Project Construction and Safety Meetings: These will be coordinated with JCI's subcontractors throughout the project schedule. Safety training and construction updates to the ongoing scheduled work will be given by the subcontractors and the Prime Retrofit Team.

Owner Update Meetings: JCI will update the owner's representative separate from our ongoing Project Construction and Safety Meetings. During our meetings with the Owner we will review the updated construction schedules and cover any open questions regarding the contracted work.



Site Supervision: The Prime Retrofit Team provides Site Supervision as needed throughout this project and helps to coordinate with the owner and subcontractors on all the scopes of work included in our proposal. The manpower on site will be continuously evaluated to help assess if we can maintain the project schedule. The Prime Retrofit Team will ensure that the job site remains clean and organized throughout construction and that our Safety policies are adhered. Safety: Johnson Controls Safety Policies will be adhered to and required by anyone that is on site during this project. The role of Prime Retrofit Team will act simultaneously as the Safety Representative for this project. The Prime Retrofit Team will responsibly coordinate and execute our safety policies during all construction activities. Whenever possible JCI will be onsite to supervise the installation activities. If necessary JCI will coordinate with the subcontractors to assign a safety representative for their company if they are approved to work without JCI's direct supervision.

Project Close Out Meeting: This will be held at the end of this project to turn the systems back over to the Owner. Owner instructions will be provided by the subcontractors, vendors, & manufacturers during the project close out. The Prime Retrofit Team will coordinate times with the owner. All project documentation will be turned over to the owner at the Turnover Meeting and include: Operating & Maintenance Manuals, Shop Drawings, As Built Drawings, & Test Results.

Project Deliverables

The following project deliverables will be prepared in the coming weeks and months and throughout the project. These items require review and approval from the owner.

1. Project Phase & Constructability Review
2. Project Milestone Schedule
3. Major Equipment Submittals
4. Project Close Out Documents

Training / Warranty

- Includes factory-certified start-up of new supplied equipment.
- Includes labor and materials warranty for (1) year from date of owner's acceptance of substantial completion.

Clarifications

- System issues may be uncovered during the course of these project and repairs may be discovered to be needed after we have began construction. The scopes of work may cover some of these expenses but are limited to each FIM's scope listed below.
- Pricing based on normal working hours (Monday - Friday) overtime work is not included in our pricing.



Exclusions

General:

- Overtime work caused by unforeseen circumstances beyond the control of Johnson Controls, such as or scheduling changes by the Owner. The cost difference between the overtime work wages and normal time work wages will be the responsibility of the Owner.
- Does not include any labor or materials not specifically included in the work proposed above.
- Does not include temporary ventilation, heating, or cooling during the execution of this project.

Design & Code Issues:

- Any building system design issues not related to the Work is the responsibility of the Owner unless specifically noted otherwise.
- Correction of any existing applicable building code violations and Federal Americans with Disabilities Act (ADA) violations outside of the scopes listed identified by JCI during the execution of the Work. Such violations will be brought to the attention of the Owner for remedy.

Defective Systems and Subsystems:

- Repair or replacement of defective controls, mechanical and electrical equipment and electrical distribution system, except the equipment specifically described as JCI's responsibility in this document. (Defective equipment identified by JCI during implementation of the Work will be brought to the attention of the Owner).
- Repairs/replacement of wiring, insulation, piping or ductwork found to be corroded or rusted and unacceptable for installation of components or fittings required for installation other than what is specifically specified.

Making existing equipment ready for upgrades;

- Lockout-Tag Out procedures will follow the more stringent of Owners and JCI's requirements where work is in progress. The Owner will enforce compliance by their staff with these procedures;
- Owner is responsible for disabling or disconnecting active devices from an existing fire alarm system, furnishing intelligent fire devices, fire system testing or programming. This work is the responsibility of the Owner as it must be coordinated and scheduled through maintenance personnel and the fire alarm contractor by Owner in accordance with the Work Schedule;
- Owner is responsible for the isolation of utilities (water, chilled water, hot water, and/or electricity) to allow for the execution of the Work unless specifically noted otherwise in the Facility Improvement Measures;
- Owner is responsible for temporary cooling, heating, power, or plumbing required to perform the work will utilize the Owner's utilities unless specifically noted otherwise.
- If emergency control power is required, it will be the responsibility of the Owner to provide space in an emergency power panel adjacent to where the controllers are located.
- Any defective parts, not specifically mentioned to be replaced in the above scope of work, are not covered by this contract.
- This proposal does not include any water loop balancing or water system piping repairs of any kind.
- Excludes supplying glycol and glycol testing.
- Excludes correcting any findings from the MN State Review. These would be treated as cost adds.
- Excludes electrical and roofing costs associated the boiler projects. (Owner provided).



FIM 1: SOUTH POINT ELEMENTARY – BOILER REPLACEMENT PROJECT

Almost identical to the project at New Heights Elementary, Johnson Controls (JCI) proposed replacing the existing PVI non-condensing boiler from 1998 with (2) new high-efficiency Thermal Solution Boilers and will closely-mirror what's installed at the high school. JCI will handle everything except the electrical and roofing costs, but we've gathered pricing from trusted subcontractors we can pass along to the school district. One main difference in this project is JCI will be replacing and relocating an existing pump on the dual-fuel boiler. Due to lighting, spacing and access, the install should be straightforward. The new boiler will get connected to existing piping connections and recently -upgraded DDC controls for off-site visibility.

Existing Conditions:

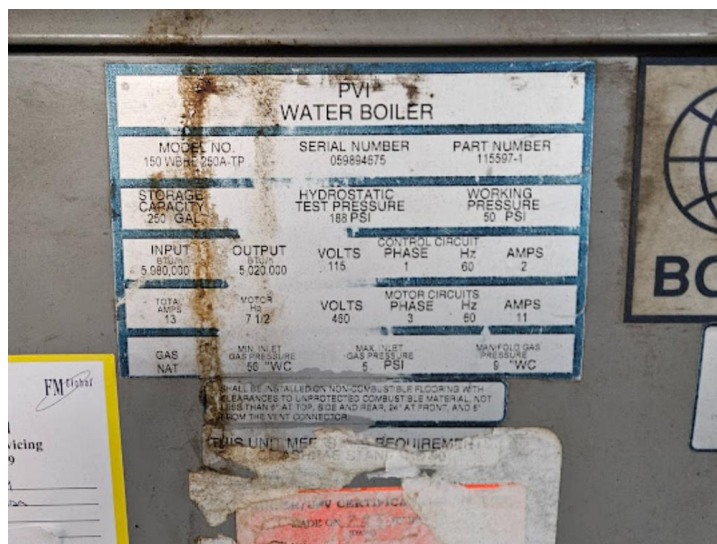


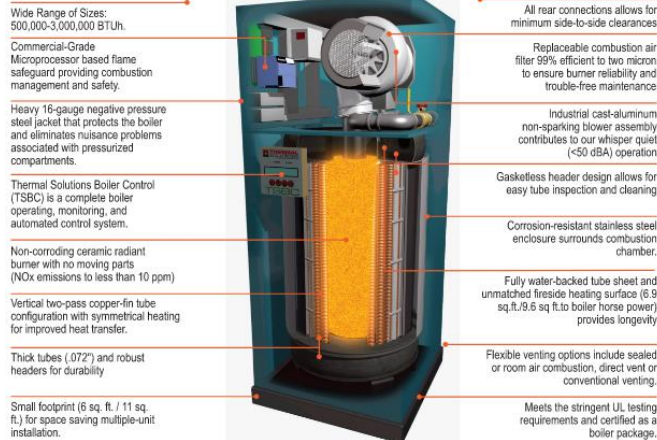
Figure 1: The above pictures display the existing PVI non-condensing boiler (center) proposed to be replaced. Currently, this boiler is 27 years old and beyond ASHRAE's standard lifespan.



New Equipment Selection: Thermal Solution EVS-3000 High-Efficiency Boiler



EVOLUTION® FEATURES



South Point Elementary - Scope of Work

Boiler Demo

- Safely disconnect electrical from the existing boiler.
- Drain down existing heating piping in boiler room and set fluid aside for reuse.
- Disconnect and remove existing PVI boiler, and necessary piping accessories and connections as required.
- Disconnect and remove (3) boiler pumps.
- Disconnect existing boiler DDC controls which will be reused on new boilers.
- Verify with owner that equipment can be shutdown.

New Boiler Install

- Utilize double-doors to slide in new boiler into place.
- Install (1) new Thermal Solution EVS-3000 boiler on existing concrete pad.
- Furnish and install (3) total pumps; (2) new boiler pumps and (1) pump on the dual-fuel boiler.
- Furnish and install necessary piping to connect new boiler to existing piping.
- Furnish and install pipe insulation where needed.
- Reconnect equipment to existing power.
- Conduct certified factory start-up on the new boiler.
- Installation to be performed in accordance with mechanical, electrical, fire, local, state and national installation and operational codes.
- Include all required material handling and rigging, including traffic control and coordination.
- Obtain all licenses, permits and required inspections. (Includes a MN State Review of the Project)

Controls Install

- Existing HWS at the school has the new JCI M4 field controllers. JCI will plan to use existing infrastructure in place.



PRIME RETROFIT TEAM STRUCTURE

Prime Retrofit Contracts: Single Source Responsibility

Johnson Controls and serves as a single source of responsibility and becomes your Prime Contractor with full responsibility for Engineering Services, Procurement, Project Management, Subcontractors, and Warranty. This option offers one-stop shopping with single-source responsibility.



Program for Single-Source of Accountability – Reducing Risk While Ensuring Project Success and Quality



TERMS & CONDITIONS

By accepting this proposal, Purchaser agrees to be bound by the following terms and conditions:

(1) AGREEMENT AND LIMITATIONS. This document (the "Agreement") sets forth the terms and conditions of any sale by Seller of the specified product, equipment or services indicated on the reverse side hereof or attachment and is expressly made conditional on the assent of Buyer (hereinafter "Buyer") to these Standard Terms and Conditions. Buyer's acceptance of any part of the product, equipment or services sold or Buyer's instructions to Seller to begin work or to ship any product or equipment after receipt of these Standards Terms and Conditions shall constitute such assent, and a waiver of all terms and conditions in its purchase order or similar document which are different from or additional to those set forth herein. Seller's failure to object to provisions contained in any communication from Buyer shall not be deemed a waiver of these Standard Terms and Conditions. References to "products" or "equipment" herein shall mean the product and equipment to be furnished by Seller as identified on the applicable Seller Quotation. These Standard Terms and Conditions may be modified or rescinded only by a writing signed by authorized representatives of both Seller and Buyer.

(2) TERMINATION OR MODIFICATION. Accepted orders may be cancelled or modified by Buyer only with Seller's express written consent. If cancellation or modification is allowed, Buyer agrees to pay to Seller all expenses incurred and damage sustained by Seller on account of such cancellation or modification, plus a reasonable profit.

(3) PRICE, SHIPMENT, AND PAYMENT. Prices on accepted orders are firm for a period of 30 days from date of acceptance. Prices for products may be adjusted by Seller, upon notice to Buyer at any time prior to shipment, to reflect any increase in Seller's cost of raw materials (e.g., steel, aluminum) incurred by Seller after issuance of Seller's applicable proposal or quotation. Price and delivery is F.O.B. point of manufacture, unless otherwise provided. Unless otherwise agreed to in writing by Seller, all payments are due net thirty (30) days from the date of invoice. Seller may, at its sole option, have the right to make any delivery under this Agreement payable on a cash or payment guarantee before-shipment basis. In the case of export sales, unless otherwise agreed to in writing by Seller, all payments are to be by means of a confirmed irrevocable letter of credit. Invoicing disputes must be identified in writing within 21 days of the date of invoice. Payments of any disputed amounts are due and payable upon resolution. All other amounts remain due within 30 days. In the event of Buyer's default, the balance of any outstanding amounts will be immediately due and payable. Failure to make payments when due will give Seller, without prejudice to any other right or remedy, the right to: (i) stop performing any services, withhold deliveries of equipment and other materials, terminate or suspend any unpaid software licenses, and/or terminate this Agreement; and (ii) charge Buyer interest on the amounts unpaid at a rate equal to the lesser of one and one half (1.5) percent per month or the maximum rate permitted under applicable law, until payment is made in full. Shipments to Buyer with outstanding invoices unpaid after thirty (30) days will be suspended until all overdue invoices are paid or be made on a cash-in-advance basis only, in Seller's sole discretion.

(4) DEPOSIT. Buyer agrees to pay a deposit equal to 50% of the sell price (pre-tax) prior to Seller performing work. Seller will generate an invoice for the 50% deposit within thirty business days after Seller's receipt of a written agreement or order from Buyer. Seller will not commence work until receipt of the deposit.

(5) TAXES. All prices exclude federal, harmonized, state/provincial and local use, sales or similar applicable taxes. Such taxes, if applicable, will appear as separate items on the invoice unless Buyer provides a tax exemption certificate that is acceptable to taxing authorities.

(6) DELIVERY. The delivery date(s) provided by Seller for the product and equipment is only an estimate and is based upon prompt receipt of all necessary information from Buyer. The delivery date(s) is subject to and shall be extended by delays caused by strikes, fires, accidents, shortages of labor or materials, embargoes, or delays in transportation, compliance with government agency or official requests, or any other similar or dissimilar cause beyond the reasonable control of Seller. FAILURE TO DELIVER WITHIN THE TIME ESTIMATED SHALL NOT BE A MATERIAL BREACH OF CONTRACT ON SELLER'S PART. If Buyer causes Seller to delay shipment or completion of the product or equipment, Seller shall be entitled to any and all extra cost and expenses resulting from such delay.

(7) LIMITED WARRANTY. Seller warrants that the product and equipment furnished by Seller under this Agreement will be of good quality and that the services provided by Seller will be provided in a good and workmanlike manner. manner for a period of twelve (12) months from initial product startup, or eighteen (18) months from product shipment, whichever occurs first (the "Warranty Period") unless such Warranty Period is modified by Seller's proposal. Alongside this limited warranty, for all new York™ air or water-cooled chillers and/or Metasys™ building automation systems sold and Seller installed in the US or Canada, Seller also provides a Year One Service Agreement for such equipment, the scope, limitations, terms and conditions of which are at <https://www.johnsoncontrols.com/yearoneservice> (collectively, "Year One Service"). Seller will not provide a credit against purchase price if offered Year One Service is declined. No warranty is provided for third-party products and equipment installed or furnished by Seller. Such products and equipment are provided with the third-party manufacturer's warranty to the extent available, and Seller will transfer the benefits together with all limitations of that manufacturer's warranty to Buyer. This warranty does not cover failures caused in whole or in part by (i) improper installation or maintenance performed by anyone other than Seller; (ii) improper use or application; (iii) corrosion; (iv) normal deterioration; (v) operation beyond rated capacity, (vi) the use of replacement parts or lubricants which do not meet or exceed Seller's specifications, or (vii) if Seller's serial numbers or warranty date decals have been removed or altered. To qualify for warranty consideration for products or equipment, at the earlier of the Buyer's discovery of the defect or the time at which the Buyer should have discovered the defect; Buyer must immediately notify Seller in writing for instructions on warranty procedures. Seller's sole obligation for defective services shall be to repair or to replace defective parts or to properly redo defective services. All replaced equipment becomes Seller's property. **THIS WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER EXPRESS OR IMPLIED WARRANTIES INCLUDING WITHOUT LIMITATION**



ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WHICH ARE HEREBY DISCLAIMED. THESE WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Seller makes no and specifically disclaims all representations or warranties that the services, products, software or third party product or software will be secure from cyber threats, hacking or other similar malicious activity or will detect the presence of, or eliminate, treat, or mitigate the spread, transmission, or outbreak of any pathogen, disease, virus or other contagion, including but not limited to COVID 19.

(8) INDEMNIFICATION, REMEDIES AND LIMITATIONS OF LIABILITY. In addition to Paragraph 8 below regarding patents, Buyer agrees that Seller shall be responsible only for such injury, loss, or damage caused by the intentional misconduct or the negligent act or omission of Seller. In the event Buyer claims Seller has breached any of its obligations under the Agreement, whether of warranty or otherwise, Seller may request the return of the goods and tender to Buyer the purchase price theretofore paid by Buyer, and in such event, Seller shall have no further obligation under the Agreement except to refund such purchase price upon redelivery of the goods. If Seller so requests the return of the goods, the goods shall be redelivered to Seller in accordance with Seller's instructions and at Seller's expense. The remedies contained in these Standard Terms and Conditions shall constitute the sole recourse of Buyer against Seller for breach of any of Seller's obligations under the Agreement, whether of warranty or otherwise. **To the maximum extent permitted by law, in no event shall Seller and its affiliates and their respective personnel, suppliers and vendors ("JCI Parties") be liable to Buyer or any third party under any cause of action or theory of liability, even if advised of the possibility of such damages, for any: (a) special, indirect, incidental, punitive, or consequential damages; (b) lost profits, revenues, data, Owner opportunities, business, anticipated savings or goodwill; (c) business interruption; or (d) data loss or other losses arising from viruses, ransomware, cyber-attacks or failures or interruptions to network systems. In any case, the entire aggregate liability of the JCI Parties under this Agreement for all damages, losses and causes of action, whether in contract, tort (including negligence), or otherwise shall be limited to the purchase price paid by Buyer hereunder.**

(9) PATENTS. Seller shall defend, or at its option settle, any action against Buyer brought by a third party to the extent that the action is based upon a claim that the products or equipment provided under the Agreement in the United States infringes any U.S. patents or copyrights 9or in Canada infringes on any Canadian patents or copyrights), or misappropriates any trade secrets of a third party ("Claim"), provided that: (i) Buyer gives Seller prompt written notice of any such Claim, (ii) Buyer gives Seller full authority to defend or settle any such Claim, and (iii) Buyer gives Seller proper and full information and assistance, at Seller's expense (except for Buyer's employees' time) to defend or settle any such Claim. Seller will pay those costs and damages finally awarded against Buyer in the action that are specifically attributable to the claim or those costs and damages agreed to in a monetary settlement of the action. **THE FOREGOING IS IN LIEU OF ANY WARRANTIES OF NON-INFRINGEMENT, WHICH ARE HEREBY DISCLAIMED.** The foregoing obligation of Seller does not apply with respect to products or equipment or portions or components thereof (a) not supplied by Seller, (b) made in whole or in part in accordance to Buyer or owner specifications, (c) which are modified after shipment by Seller, if the alleged infringement related to such modification, (d) combined with other products, processes or materials where the alleged infringement relates to such combination, (e) where Buyer continues allegedly infringing activity after being notified thereof and/or after being informed of modifications that would have avoided the alleged infringement without significant loss of performance or functionality, or (f) where Buyer's use of the product or equipment is incident to an infringement not resulting primarily from the product or equipment; Buyer will indemnify Seller and its officers, directors, agents, and employees from all damages, settlements, attorneys' fees and expenses related to a claim of infringement, misappropriation, defamation, violation of rights of publicity or privacy excluded from Seller's indemnity obligation herein.

(10) GOVERNING LAW. For any goods or work performed in the U.S., the formation and performance of the Agreement shall be governed by the laws of the State of Wisconsin, U.S.A. For any goods or work performed in Canada, the Agreement shall be governed by the laws of Ontario. Other than claims for unpaid contract amounts by Seller, any action for breach of the Agreement or any covenant or warranty must be commenced within one year after the cause of action has accrued unless such provision is not permitted by applicable law.

(11) DISPUTE RESOLUTION. Seller shall have the sole and exclusive right to determine whether any dispute, controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be submitted to a court of law or arbitrated. The venue for any such arbitration shall be in Milwaukee, Wisconsin for U.S. sales, and Toronto, Ontario for Canadian sales. The arbitrator's award may be confirmed and reduced to judgment in any court of competent jurisdiction. In the event the matter is submitted to a court, Seller and Buyer hereby agree to waive their right to trial by jury and covenant that neither of them will request trial by jury in any such litigation. Buyer will pay all of Seller's reasonable collection costs (including legal fees and expenses).

(12) SOFTWARE AND DIGITAL SERVICES. Use, implementation, and deployment of the software and hosted software products ("Software") offered under these terms shall be subject to, and governed by, Seller's standard terms for such Software and Software related professional services in effect from time to time at <https://www.johnsoncontrols.com/techterms> (collectively, the "Software Terms"). Applicable Software Terms are incorporated herein by this reference. Other than the right to use the Software as set forth in the Software Terms, Seller and its licensors reserve all right, title, and interest (including all intellectual property rights) in and to the Software and improvements to the Software. The Software that is licensed hereunder is licensed subject to the Software Terms and not sold. If there is a conflict between the other terms herein and the Software Terms, the Software Terms shall take precedence and govern with respect to rights and responsibilities relating to the Software, its implementation and deployment and any improvements thereto.

(13) PRIVACY. **Seller as Processor:** Where Seller factually acts as Processor of Personal Data on behalf of Buyer (as such terms are defined in the DPA) the terms at www.johnsoncontrols.com/dpa ("DPA") shall apply. **Seller as Controller:** Seller will collect, process and transfer certain personal data of Buyer and its personnel related to the business relationship between it and Buyer (for example names, email addresses, telephone numbers) as controller and in accordance with Seller's Privacy Notice at <https://www.johnsoncontrols.com/privacy>. Buyer acknowledges Seller's Privacy Notice and strictly to the extent consent is mandatorily required under applicable law, Buyer consents to such collection, processing and transfer. To the extent consent to such collection, processing and transfer by Seller is mandatorily required from Buyer's personnel under applicable law, Buyer warrants and represents that it has obtained such consent.



(14) CONNECTED EQUIPMENT SERVICES. Certain equipment sold hereunder includes by default Seller's Connected Equipment Services. Connected Equipment Services is a data-analytics and monitoring Software platform that uses a cellular or network connection to gather equipment performance data to assist Seller in advising Buyer on (and Buyer in better understanding) such equipment's health, performance or potential malfunction. **If Buyer's equipment includes Connected Equipment Services, such services will be on by default and the remote connection will continue to connect to Buyer's Equipment through the full equipment lifecycle, unless Buyer specifically requests in writing that Seller disable the remote connection or Seller discontinues or removes such remote connection.** For more information on whether your particular equipment includes Connected Equipment Services, a subscription to such services and the cost, if any, of such subscription, please see your applicable order, quote, proposal, or purchase documentation or talk to your Seller sales representative. If Buyer's equipment includes Connected Equipment Services, Seller will provide a cellular modem or other gateway device ("Gateway Device") owned by Seller or Buyer will supply a network connection suitable to establish a remote connection with Buyer's applicable equipment to permit Seller to use Connected Equipment Services to perform first-year and extended warranty services as well as other services, including troubleshooting, quarterly health reports, remote diagnostic and monitoring and aftermarket services. For certain subscriptions, Buyer will be able to access equipment information from a mobile or smart device using Connected Equipment Service's mobile or web app. Any Gateway Devices provided hereunder shall remain Seller's property, and Seller may upon reasonable notice access and remove such Gateway Device and discontinue services in accordance with the Software Terms. If Buyer does not permit Seller to connect via a connection validated by Seller for the equipment or the connection is disconnected by Buyer, and a service representative must therefore be dispatched to the Buyer site, then the Buyer will pay Seller at Seller's then-current standard applicable contract regular time and/or overtime rate for services performed by the service representative. Seller disclaims any obligation to advise Buyer of any possible equipment error or malfunction. **Buyer acknowledges that, while Connected Equipment Services generally improve equipment performance and services, Connected Equipment Services does not prevent all potential malfunction, insure against all loss or guarantee a certain level of performance and that Seller shall not be responsible for any injury, loss, or damage caused by any act or omission of Seller related to or arising from the monitoring of the equipment under Connected Equipment Services.**

(15) MISCELLANEOUS

(a) CHANGES OF CONSTRUCTION AND DESIGN: Seller reserves the right to change or revise the construction and design of the products or equipment purchased by Buyer, without liability or obligation to incorporate such changes to products or equipment ordered by Buyer unless specifically agreed upon in writing reasonably in advance of the delivery date for such products or equipment. Buyer agrees to bear the expense of meeting any changes or modifications in the scope of this Agreement or in local code requirements which become effective after Seller has accepted Buyer's order.

(b) CHARACTER OF PRODUCT AND SECURITY INTEREST: The goods delivered by Seller under the terms of the Agreement shall remain personal property and retain its character as such no matter in what manner affixed or attached to any structure or property. Buyer grants Seller a security interest in said goods, any replacement parts and any proceeds thereof until all sums due Seller have been paid to it in cash. This security interest shall secure all indebtedness or obligations of whatsoever nature now or hereafter owing Buyer to Seller. Buyer shall pay all expenses of any nature whatsoever incurred by Seller in connection with said security interest. Notwithstanding anything to the contrary contained herein, the terms of this Agreement shall be subject to the mechanics lien legislation applicable to the location where the work will be performed.

(c) INSURANCE: Buyer agrees to insure the goods delivered under the Agreement in an amount at least equal to the purchase price against loss or damage from fire, wind, water or other causes. The insurance policies are to be made payable to Seller and Buyer in accordance with their respective interests, and when issued are to be delivered to Seller and held by it. Failure to take out and maintain such insurance shall entitle Seller to declare the entire purchase price to be immediately due and payable and shall also entitle Seller to recover possession of said goods.

(d) INSTALLATION: If installation by the Seller is included within the Seller's Quotation, Buyer shall provide all of the following at its own expense and at all times pertinent to the installation: i) free, dry, and reasonable access to Buyer's premises; and ii) proper foundations, lighting, power, water and storage facilities reasonably required. If any change in the scope of this Agreement or schedule for performance is ordered or directed by the Buyer (or any other party to the installation other than Seller) or any Force Majeure Event causes an increase in the cost or time required for Seller's performance of the work, Buyer shall make an upward equitable adjustment in the contract price or time of performance or both. Seller's additional costs, plus reasonable overhead and profit, shall be paid in full no later than 30 days from completion of such work.

(e) COMPLIANCE WITH LAWS: Seller's obligations are subject to the export administration and control laws and regulations of the United States and Canada. Buyer shall comply fully with such applicable laws and regulation in the export, resale or disposition of purchased products or equipment. Quotations or proposals made, and any orders accepted by Seller from a Buyer outside the United States or Canada are with the understanding that the ultimate destination of the products or equipment is the country indicated therein. Diversion of the products or equipment to any other destination contrary to the United States or Canada, as applicable, is prohibited. Accordingly, if the foregoing understanding is incorrect, or if Buyer intends to divert the products or equipment to any other destination, Buyer shall immediately inform Seller of the correct ultimate destination.

(f) BUYER RESPONSIBILITIES: Buyer is solely responsible for the establishment, operation, maintenance, access, security and other aspects of its computer network ("Network") and shall supply Seller secure Network access for providing its services. Products networked, connected to the internet, or otherwise connected to computers or other devices must be appropriately protected by Buyer and/or end user against unauthorized access. Buyer is responsible to take appropriate measures, including performing back-ups, to protect information, including without limit data, software, or files (collectively "Data") prior to receiving the service or products.



(g) FORCE MAJUERE: Seller shall not be liable, nor in breach or default of its obligations under this Agreement, for delays, interruption, failure to render services, or any other failure by Seller to perform an obligation under this Agreement, where such delay, interruption or failure is caused, in whole or in part, directly or indirectly, by a Force Majeure Event. A "Force Majeure Event" is a condition or event that is beyond the reasonable control of Seller, whether foreseeable or unforeseeable, including, without limitation, acts of God, severe weather (including but not limited to hurricanes, tornados, severe snowstorms or severe rainstorms), wildfires, floods, earthquakes, seismic disturbances, or other natural disasters, acts or omissions of any governmental authority (including change of any applicable law or regulation), epidemics, pandemics, disease, viruses, quarantines, or other public health risks and/or responses thereto, condemnation, strikes, lock-outs, labor disputes, an increase of 5% or more in tariffs or other excise taxes for materials to be used on the project, fires, explosions or other casualties, thefts, vandalism, civil disturbances, insurrection, mob violence, riots, war or other armed conflict (or the serious threat of same), acts of terrorism, electrical power outages, interruptions or degradations in telecommunications, computer, network, or electronic communications systems, data breach, cyber-attacks, ransomware, unavailability or shortage of parts, materials, supplies, or transportation, or any other cause or casualty beyond the reasonable control of Seller. If Seller's performance of the work is delayed, impacted, or prevented by a Force Majeure Event or its continued effects, Seller shall be excused from performance under the Agreement. Without limiting the generality of the foregoing, if Seller is delayed in achieving one or more of the scheduled milestones set forth in the Agreement due to a Force Majeure Event, Seller will be entitled to extend the relevant completion date by the amount of time that Seller was delayed as a result of the Force Majeure Event, plus such additional time as may be reasonably necessary to overcome the effect of the delay. To the extent that the Force Majeure Event directly or indirectly increases Seller's cost to perform the services, Buyer is obligated to reimburse Seller for such increased costs, including, without limitation, costs incurred by Seller for additional labor, inventory storage, expedited shipping fees, trailer and equipment rental fees, subcontractor fees or other costs and expenses incurred by Seller in connection with the Force Majeure Event.

(h) ONE-YEAR CLAIMS LIMITATION: No claim or cause of action, whether known or unknown, shall be brought against Seller more than one year after the claim first arose. Except as provided for herein, Seller's claims must also be brought within one year. Claims for unpaid contract amounts are not subject to the one-year limitation