



This Master Supply Agreement (“**Agreement**”), effective as of the last date of signature below (“**Effective Date**”), is entered into by Honeywell International Inc., a Delaware corporation, having a place of business at 715 Peachtree Street NE, Atlanta GA 30308 (“**Honeywell**”) and **Supplier**. Each party is sometimes also referred to as “**Party**”, and collectively as the “**Parties**.”

OVERVIEW

This Agreement sets forth the terms and conditions pertaining to the sale of Products by Supplier to Honeywell.

TERM

This Agreement will begin on the Effective Date and remain in effect for three years (the “**Term**”), unless earlier terminated in accordance with the terms set forth herein. The Agreement will automatically renew for one year renewal terms unless a Party informs the other Party of its intent not to renew at least 120 days prior to the end of the applicable Term.

AGREEMENT STRUCTURE AND PRECEDENCE

This Agreement is organized into two sections. Section I (Commercial Terms) sets forth the specific commercial terms under which Supplier will sell Honeywell products, together with related services, if any, and Section II (Contractual Terms) which set forth Honeywell’s Terms and Conditions of Purchase (“Terms of Purchase”). The Terms of Purchase may be updated from time to time without notice at the following link: <https://hwll.co/HBTLegal>. All Exhibits hereto are incorporated by reference as if fully set forth herein and are material terms of this Agreement.

Except as expressly stated in a specific provision, any conflict pertaining to this Agreement will be resolved by giving precedence in the following order:

1. This cover sheet;
2. SECTION I – **Commercial Terms**, and then Exhibit A (Pricing Sheet), Exhibit B (Information Security Terms and Conditions) and Exhibit C (Private Labelling Terms)(if applicable);
3. SECTION II – **Contractual Terms**;
4. Any associated Statements of Work; and
5. Any associated Purchase Orders (collectively, the “Agreement”).

ENTIRE AGREEMENT

This Agreement together with its Exhibits, including the Terms of Purchase, represents the entire understanding of the Parties as to the subject matter hereof. This Agreement supersedes and cancels any previous oral or written communications, understanding or agreement between the Parties as to the subject matter hereof, and may only be amended or supplemented by a written document signed by the Parties’ authorized representatives. For avoidance of doubt, contradictory terms on any Order or acknowledgment will not apply absent a written and signed amendment to this Agreement.

WHEREFORE, for good and valuable consideration, sufficiency of which is hereby acknowledged, the Parties' authorized representatives have caused this agreement to be executed as of the Effective Date.

[SUPPLIER NAME]

HONEYWELL INTERNATIONAL INC.

Signature:

Name:

Title:

Date:

Signature:

Name:

Title:

Date:

SECTION I – COMMERCIAL TERMS

This Section I contains the agreed upon commercial terms of the Agreement between the Parties. Capitalized terms not defined herein shall have the meanings set forth in the Contractual Terms.

- A. Products. Supplier will sell Honeywell the products¹ listed on the pricing sheet (“**Pricing Sheet**”) attached to this Agreement as **Exhibit A** (the “**Products**” or “**Goods**”) together with related services, if any. This Agreement does not specify a quantity of Products to be purchased by Honeywell, does not obligate Honeywell to purchase any Products, and is not an exclusive purchasing agreement.
- B. Purchase Orders. Honeywell and each of its business units, divisions, affiliates and subsidiaries worldwide may order Products and related services, if any, by individual purchase orders (“**PO**”), and such sales shall be subject to the terms of this Agreement, including any products not specified on the Pricing Sheet. Any terms specific to such purchases different from those contained in this Agreement will be evidenced by a separate mutually agreed writing which references this Agreement. Each PO will be deemed immediately accepted and binding upon Supplier, unless it requires delivery of Products in less than the lead time in which case Supplier may reject such PO within 2 business days of receipt. POs will be governed exclusively by this Agreement’s terms, and any additional or different terms contained in any standard terms attached to a PO, PO acknowledgment or acceptance are not binding on either Party. Supplier agrees to work to written forecasts and to manage its build schedule and/or inventory to ensure an uninterrupted flow of Products. Honeywell may periodically issue to Supplier a nonbinding, written, rolling 12 month forecast (“**Forecast**”) for Products. Forecasts are not purchasing commitments and do not bind or obligate Honeywell in any way. Honeywell will use Orders to procure Products and Services.
- C. Services. Incidental to Honeywell’s purchase of Products under this Agreement, Supplier will provide the Services described in this Agreement, including those Services described in the Statement of Work (“**SOW**”), attached to this Agreement. Each SOW will be governed by this Agreement and in the format presented in the SOW attachment. SOWs will become effective upon execution by an authorized representative of each Party. A SOW may not change any of the terms of this Agreement as the terms apply to other SOW’s. Honeywell may direct changes in the SOW using either the form attached to this Agreement (“**Change Order**”) or a change order issued through Honeywell’s purchasing system. If any Change Order causes an increase or decrease in the cost of, or the time required for, performing the SOW, an equitable adjustment will be made to the SOW price, delivery dates, or both. Honeywell may deny any request for adjustment under this provision unless it is asserted in writing (including the amount of the request and supporting documentation substantiating the request) and delivered to Honeywell within thirty (30) days from the date of Supplier’s receipt of the Honeywell-directed change to the SOW. Any adjustment must be mutually agreed by the Parties in writing. Notwithstanding any disagreement between the Parties regarding the impact of a change, Supplier will proceed diligently with its performance under the SOW as changed pending resolution of the disagreement.
- D. Affiliates. Affiliates of Honeywell are beneficiaries of this Agreement and may purchase Services under this Agreement and under any SOW issued hereunder from Supplier and/or Supplier’s Affiliates by executing as applicable Purchase Orders and/or SOWs referencing this Agreement. In such event, (i) the Honeywell Affiliate executing the PO or SOW will, for the purposes of such PO or SOW, be considered “Honeywell” as that term is used in this Agreement, (ii) the Supplier Affiliate receiving or executing such PO or SOW, if applicable, will, for the purposes of such PO or SOW, be considered “Supplier” as that term is used in this Agreement, and (iii) the PO or SOW will incorporate all terms and conditions of this Agreement and be deemed to be a two-party agreement between Supplier or Supplier Affiliate on the one hand, and the applicable Honeywell Affiliate on the other hand. Each Party will cause its Affiliates to comply with its obligations under this Agreement. “Affiliate(s)” means a Party’s wholly-owned subsidiaries or a joint venture, partnership or corporation that directly or indirectly controls, is controlled by, or is under common control of or with said Party or the Party’s wholly-owned subsidiary. The word “control” as used in this definition means ownership of, or the right to acquire, not less than fifty-percent (50%) of the stock of said corporation, the right to vote not less than fifty-percent (50%) of the stock of said corporation, or not less than fifty percent (50%) ownership interest in a partnership or joint venture or corporation. Should Supplier question whether an entity is a Honeywell Affiliate, Honeywell will confirm its status to Supplier.

¹ Insert “Honeywell branded” before the word products if Products will be white-labelled with the Honeywell logo.

- E. Local Enabling Agreements. In the event that Honeywell reasonably determines it is necessary to execute a local enabling agreement ("LEA") to implement this Agreement and/or any SOW issued hereunder in a certain country, the Parties and/or their Affiliates, as applicable, will enter into such LEA, which will incorporate all of the terms and conditions of this Agreement and/or any SOW issued hereunder, subject only to the amendments required by applicable law.
- F. Permitted Users. Supplier will permit third parties with whom Honeywell or any Affiliate has a commercial relationship (such as Honeywell's outsourcing vendors, suppliers, and joint ventures) to purchase Products under this Agreement if such third parties are authorized by Honeywell in its reasonable discretion.
- G. Pricing. Supplier will sell the Products and provide the Services at or below the prices stated in Exhibit A (Pricing Sheet) or the applicable SOW.
- H. Productivity². Supplier will deliver annual productivity gains of 5% [or applicable amount, see comment] ("Productivity") at no net increase to Honeywell, achieved without quality degradation, and realized by Honeywell on a year-over-year basis, every Contract Year. A "year" or "annual" basis refers to a "Contract Year," that begins with this Agreement's Effective Date and runs to each anniversary thereof. If the Productivity gain is not achieved, then within sixty (60) days of the end of the Contract Year, Supplier will issue to Honeywell a credit equal to the difference between the actual Productivity achieved and the Productivity gain stated above. Percentage of Productivity gained is computed using the amounts invoiced to Honeywell in the Contract Year. Supplier's Productivity may include year-over-year price reduction, cost reductions beyond purchase price reductions, supply chain rationalization, value added services, up-front design coordination, Value-Engineering, cycle time reduction, distribution, standardization, defect reduction, transaction elimination or digitization, and Consumption Reduction, as long as such items are documented and such values attributed to them are agreed to by Honeywell. "Value-Engineering" is a change in requirements or specifications that results in reduced cost without quality degradation, when applied to a Service or Product. "Consumption Reduction" enables Honeywell to reduce its spend or overall cost and these actions should be achievable at no cost to Honeywell or at a net benefit after any projected cost.
- I. Reporting. Supplier will consolidate and document Productivity gains, Value-Engineering suggestions, and Consumption Reduction ideas in a format as agreed to by the parties. Unless another frequency is mutually agreed in writing, Supplier will submit monthly written Productivity reports to Honeywell showing status and updates of initiatives as well as projected and actual results. The Parties' representatives will meet quarterly for the specific purpose of driving Productivity, cost, and Consumption Reduction objectives to fruition.
- J. Honeywell Products and Services³. Supplier will use commercially reasonable efforts to utilize Honeywell products and services in the fulfillment of the Services and provision of Products. Upon Honeywell's request, the Parties will mutually agree on the establishment of reasonable metrics for the utilization of Honeywell products and services.
- K. Additional Investment⁴. **Reserved**.
- L. Annual Rebate. Supplier will provide an annual volume rebate ("Rebate") to Honeywell equal to one percent (1%) of its annual revenue in every Contract Year of this Agreement. Supplier's "revenue" is the total amount invoiced to Honeywell for both Services and Products. Unless payment of the Rebate is provided for elsewhere in this Agreement or otherwise mutually agreed by the Parties in writing, the Rebate will be payable within thirty (30) days of Honeywell's invoice to Supplier.

² Under this Article, validate if 5% is the correct percentage of productivity, or needs to be increased or decreased depending upon the Products/Services being provided. Be mindful that overall productivity includes value-engineering and consumption reduction as well.

³ Under certain circumstances, the project justifies an "Additional Investment" by the Supplier. An example when you may want to add this Additional Investment clause, and it is only one example, is when the Supplier performs significant Services for Honeywell or performs on Honeywell sites, such as Security Services. If your project justifies this Additional Investment clause, first remove the word "**Reserved**" and then insert this language: "Supplier will invest at least one percent (1%) of its annual revenue, in every Contract Year of this Agreement ("Additional Investment"), for capital equipment, software or similar items to improve the level or quality of Services provided or Products sold to Honeywell. Supplier's "revenue" is the total amount invoiced to Honeywell for both Services and Products. Unless otherwise agreed by the Parties in writing, all items constituting the Additional Investment will be purchased in the name and on behalf of Honeywell or a Honeywell designee, and from Honeywell sources, except to the extent identical or substantially similar products are not produced or sold by Honeywell sources. Supplier will keep an up-to-date inventory of the Additional Investment and will provide Honeywell such list promptly upon request."

M. Third Party Purchases; Non-Competition. Supplier agrees that, during the term of this Agreement and for 24 months thereafter, Supplier will not, directly or indirectly, sell or solicit to sell any Products or other items serving the same or similar functions of the Products ("Competing Products") anywhere in the world to (a) any of Honeywell's direct or indirect customers to whom Honeywell sells the Product ("Honeywell Customers"), or (b) any person or entity that is solicited to purchase any Product or Competing Product during the term of this Agreement from Honeywell, any of Honeywell's distributor or any Honeywell trade partner ("Customer Leads"). During the term of this Agreement and for 24 months thereafter, Supplier will promptly refer to Honeywell all inquiries concerning Products and Competing Products from Honeywell Customers and Customer Leads. Supplier hereby agrees that if Honeywell reasonably suspects that Supplier has violated the provisions of this Section, then Honeywell shall be entitled to have a third-party auditor review Supplier and its affiliates' records to determine the extent of such breach. If Supplier breaches this Section, then Supplier will (a) immediately cease all business activity with Honeywell Customers and Customer Leads relating to the Products and Competing Products, and (b) be liable to Honeywell for all direct, indirect and consequential damages suffered by Honeywell (including, without limitation, promptly paying Honeywell an amount equal to the lost profit on Supplier's sales of Products and Competing Products to Honeywell Customers and Customer Leads).

N. Change in Trade Regulations/Tax Regimes. If there is a change in applicable treaties, laws or regulations that has, and will have, a direct and continuing materially adverse impact on the pricing or cost of the Products or the duties applicable to the Products, then the Parties will negotiate in good faith to share the impact of such change; provided that Supplier may not reject POs or refuse to produce and deliver Products.

O. Components. Supplier is responsible for obtaining all raw materials, components, and services required by Supplier to perform under this Agreement ("Components"). Honeywell may, in its sole discretion, direct Supplier to purchase Components from Honeywell affiliates, subsidiaries, business units or divisions or third-party suppliers ("Honeywell Provider"). Where the Components are purchased under a Honeywell negotiated pricing agreement with a third party, such Components are for the sole use of Supplier in the manufacturing process pursuant to this Agreement and will not be resold (whether in the form acquired or after incorporation into other goods) to any party other than a Honeywell business unit, subsidiary, or Honeywell designee ("Designee").

P. Designees. Supplier will sell the Products covered under this Agreement to Designees, if so directed, under the same terms and conditions of this Agreement.

Q. Honeywell Provider. Honeywell has no liability for any transactions between Supplier and a Honeywell Provider or Designee and Supplier will not look to Honeywell for fulfillment of any obligations of a Honeywell Provider or Designee. Regardless of whether Honeywell directs Supplier to use a specific Honeywell Provider, Supplier is solely responsible to ensure that all Components meet required specifications, operate as intended and are free from all defects in workmanship and materials. Supplier is solely liable if a Component fails to conform to applicable specifications or is otherwise defective.

R. Processes. From time to time, Honeywell may provide recommendations and/or assistance to Supplier with respect to Supplier's manufacturing processes, assembly operations, supply chain management and other Supplier operations, procedures and processes (the "Processes"). Regardless of such assistance or recommendations, Supplier is solely liable for the Processes and the results of such Processes including, without limitation, costs associated with the Processes and Products produced from such Processes.

S. Provider Change. Supplier will actively work with each Component Manufacturer to determine if any changes or discontinuance of any Component will occur ("Provider Change"). If any Provider Change is planned, then Supplier will provide Honeywell with as much advance written notice as possible and, subject to Honeywell's prior written approval: (a) establish an end-of-life quantity last time buy; and (b) identify and procure alternate replacement items. Honeywell may schedule delivery for any time during the subsequent 2 years.

T. Spares. Supplier will continue to make available to Honeywell spare Products ("Spares") for a period of 10 years after the date on which this Agreement is terminated. Spares will be provided on equivalent terms to those set out in this Agreement and at the prices applicable on the date of termination.

R. Continued Performance. To the extent that any portion of this Agreement, any SOW or any Purchase Order is not terminated for convenience or cause, Supplier will continue performing that portion. In the event of any dispute with

Honeywell or any Affiliate(s) regarding an alleged breach of this Agreement or any SOW, PO or other agreement, Supplier will not use any means to prevent or interfere with Honeywell and/or its Affiliates' use of the Products or Services, or instruct Supplier's employees, agents, Affiliates, or subcontractors to shut down, disable, or interfere with the use, consumption, or proper operation of the Products or Services without Honeywell's prior knowledge and consent. Supplier agrees that, in the event of Supplier's breach or threatened breach of this provision, Honeywell and/or its Affiliate may have no adequate remedy at law, and accordingly, in addition to all other remedies and rights and without the same constituting an election of remedies, Honeywell and/or its Affiliate will be entitled to injunctive relief, without the necessity of posting bond or proving damages or irreparable harm, in order to prevent or restrain any such breach. Supplier acknowledges that the provisions of this Article are a material inducement for Honeywell to enter into this Agreement.

S. Performance Surety Guarantee. Within twenty-one (21) calendar days from the Effective Date of this Agreement, but no later than before the first invoice is submitted under this Agreement, and as a pre-condition to such payment becoming due and payable by Honeywell, Supplier will provide an unconditional and irrevocable Performance Surety Bond (or equivalent SBLC/Bank Guarantee) equal to fifteen percent (15%) of the estimated annual value of all Purchase Orders (or other amount requested by Honeywell) ("BG") payable on first demand of Honeywell to guarantee the full and timely performance and delivery of the Products and Services as per any Purchase Order/SOWs and the terms of this Agreement. The BG shall be provided by an approved internationally recognized financial institution nominated by Supplier and approved by Honeywell and shall be in a specific form approved by Honeywell. On or before January 10 of each calendar year starting the second calendar year after the Effective Date, the value of the BG shall be adjusted in reference to the actual value of Purchase Orders placed in the previous year so that such amount shall be the greater of (1) 15% of the actual amount of the previous calendar year spend; or (2) the estimated value of all Purchase Orders for such calendar year (or other amount requested by Honeywell). If for any reason the value of the BG is less than 15% of the cumulative amount of Purchase Orders placed with Supplier under this Agreement at any point (1) between the Effective Date and the end of the calendar year following the calendar year that includes the Effective Date and, thereafter, (2) in any subsequent calendar year, including because Honeywell has drawn the BG, Supplier will adjust the amount of the BG to the revised estimated value of all Purchase Orders for such period (or other amount requested by Honeywell). Any required increase shall be carried out (and each Party shall cooperate to so carry out) within ten (10) calendar days of the new calendar year.

The BG shall be valid for the Term of this Agreement and extended post termination until the expiration of the latest Warranty Period for Products.

In addition to other rights set forth herein in regard to termination, upon termination for cause by Honeywell, the BG furnished by the Supplier shall be automatically claimed by Honeywell and paid to Honeywell.

T. Disengagement and Transfer Assistance. On such date as Honeywell may request, or commencing upon a notice of termination of this Agreement or a SOW for any reason, or withdrawal of a portion by Honeywell, and continuing through the effective date of expiration or, if applicable, of termination of this Agreement, Supplier will provide to Honeywell, or at Honeywell's request to Honeywell's designee, the reasonable Disengagement Assistance requested by Honeywell to allow the Products and Services to continue without interruption or adverse effect and to facilitate the orderly transfer to Honeywell or its designee (including a competitor of Supplier) ("Disengagement Assistance"). Honeywell's request may be in the context of Honeywell's reduction or removal of a portion of the Product and/or Services, without this entire Agreement being terminated. Disengagement Assistance will include, but not be limited to: (i) completion by Supplier of a plan approved by Honeywell for operational turnover that enables a smooth transition of the functions performed by Supplier under this Agreement to Honeywell or a successor supplier (such plan the "Turnover Plan"), (ii) attendance of Supplier personnel at periodic review meetings called by Honeywell, during which the Parties at a minimum will review Supplier's performance of Disengagement Assistance, including the completion of tasks and delivery of Products set forth in the Turnover Plan, (iii) provision of sufficient personnel with current knowledge to work with the appropriate Honeywell staff and, if applicable, the replacement supplier to define the specifications for conversion in a manner consistent with the completeness of the turnover tasks defined in the Turnover Plan, (iv) cooperation with Honeywell and any replacement supplier(s) in transitioning the functions performed by Supplier under this Agreement, and (v) provision to Honeywell copies of all completed Products or other materials, as well as current drafts of any work-in-progress and incomplete items. Disengagement Assistance will also include the following:

- a. Honeywell or its designee will be permitted, without interference from Supplier, to hire any Supplier personnel primarily performing hereunder as of the date of notice of termination or reduction or, in the case of expiration, within the six (6) month period (or longer period requested by Honeywell) prior to this Agreement's or a SOW's expiration. Supplier will waive, and will cause its subcontractors personnel to waive, their rights, if any, under agreements with such personnel restricting the ability of such to be recruited or hired by Honeywell or Honeywell's designee. Supplier will provide Honeywell or its designee with reasonable access to such personnel for interviews and recruitment.
- b. If Honeywell is entitled pursuant to this Agreement to a sublicense or other right to use any software owned or licensed by Supplier, including software-as-a-service ("SaaS"), Supplier will provide such sublicense or other right.
- c. Supplier will obtain any necessary rights and thereafter make available to Honeywell or its designee, pursuant to reasonable terms and conditions under which Honeywell takes over Supplier's obligations, any third party services then being utilized by Supplier in its performance including services being provided through SaaS, or third party service or maintenance contracts on software; provided that Honeywell will not be responsible for any obligations, liabilities or duties incurred by Supplier for the third party services. Supplier will be entitled to retain the right to utilize any such third-party services in connection with the performance for any other Supplier customer.
- d. For twelve (12) months following the effective date of termination/expiration under other provisions of this Agreement or the relevant SOW or PO, at Honeywell's request Supplier will continue to provide Disengagement Assistance. In cases of Honeywell's termination or reduction for Honeywell's convenience, any charges billable for such activities by Supplier will be commercially reasonable and at rates that are consistent with this Agreement or the applicable SOW, or if not contained herein, then for similarly situated customers of Supplier, or at such lower rates as are equitable in the circumstances. Disengagement Assistance will be provided at no cost to Honeywell in the event of: (i) termination by Honeywell for Supplier's material breach pursuant to the "Termination for Cause" Section, or (ii) termination by Supplier under any circumstance permitted in writing by Honeywell.

SECTION II –CONTRACTUAL TERMS

This Section II contains the agreed upon core contractual terms of the Agreement between the Parties. Any reference to "Purchase Order" in the terms below shall also be deemed to include this Agreement. Capitalized terms not defined herein shall have the meanings set forth in Section I or in the below terms.

1. DEFINITIONS

"Background Technology" means the Intellectual Property Rights in any Confidential Information, Specifications, Technical Data, Computer Software, Source Code, and Inventions created, conceived, or developed by the personnel of a Party without access to any Confidential Information of the other Party either (a) prior to this Purchase Order or (b) other than in the performance of this Purchase Order.

"Deliverables" mean the documents, reports, material, prototypes, information, data, Computer Software, Source Code, and other items (if any, but excluding Goods) specified in this Purchase Order and its attachments to be delivered to Honeywell by or on behalf of Supplier.

"Foreground Technology" means the Intellectual Property Rights in any Confidential Information, Technical Data, Computer Software, Source Code, and Inventions created, conceived, or developed by the personnel of a Party in the performance of this Purchase Order or resulting from access to the Confidential Information of the other Party.

"Intellectual Property Rights" mean all worldwide intellectual property rights, whether arising under statutory or common law or by contract and whether or not perfected, now existing or hereafter filed, issued, or acquired, including (a) patent rights; (b) rights associated with works of authorship including copyrights and mask work rights; (c) rights relating to the protection of trade secrets and confidential information; and (d) any right analogous to those set forth herein and any other proprietary rights relating to intangible property; but specifically excluding trademarks, service marks, trade dress, and trade names.

"Internet of Things (IOT) Data" means any and all data output from, input to, generated by or otherwise accessible through the Goods and Deliverables, in any form which such data may occur, as a result of any party's use, operation or service of the Goods or Deliverables.

"Inventions" mean know-how, ideas, concepts, processes, and discoveries, which are or may be patentable or otherwise protectable under Title 35 of the United States Code or similar provisions in any country party to the Patent Cooperation Treaty.

"Joint Technology" means the Intellectual Property Rights in any Confidential Information, Technical Data, Computer Software, Source Code, and Inventions jointly created, conceived, or developed by personnel of both Parties in the performance of this Purchase Order.

"Source Code" means the human readable embodiment of the Computer Software code, in or on any electronic media, and includes complete comments, flow charts, program narratives, and all related system and programming documentation for the Computer Software, every change to the Computer Software and all externalizations, utilities and compilers required to utilize, execute and modify the source code form of the Computer Software and which is sufficient to enable a reasonably skilled programmer to maintain and enhance the Computer Software.

2. PURCHASE ORDER ACCEPTANCE- ORDER OF PRECEDENCE- MODIFICATION

- A. This purchase order ('Purchase Order') is for the purchase of goods, services, or both as described on the face of this Purchase Order (collectively, "Goods" or "Products") and is issued by the member of the Honeywell International Inc. group of companies identified on the face of this Purchase Order ("Honeywell"). Each PO will be deemed immediately accepted and binding upon Supplier, unless it requires delivery of Products in less than the lead time, in which case Supplier may reject such PO within 2 business days of receipt. Honeywell rejects any additional or

inconsistent terms and conditions offered by Supplier at any time. Any reference to Supplier's quotation, bid, or proposal does not imply acceptance of any term, condition, or instruction contained in that document

B. These terms and conditions together with the specifications, drawings, or other documents referred to on the face of this Purchase Order, or attached, or any documents incorporated by reference, supersede any prior or contemporaneous communications, representations, promises, or negotiations, whether oral or written, respecting the subject matter of this Purchase Order. All contract documents related to this Purchase Order are interpreted together as one agreement, but if there is an irreconcilable conflict among the provisions of those contract documents, the following order of precedence applies: a) any document executed by both Parties after execution of this Purchase Order that is expressly intended to amend or supersede the terms of this Purchase Order; b) contract documents signed by both Parties; c) the face of this Purchase Order and any supplemental terms included or incorporated by reference; then d) these general Purchase Order provisions. The exhibits, schedules and other attachments to this Purchase Order are incorporated by reference. This Purchase Order and any previously executed non-disclosure agreement (the obligations of which remain in effect) contains the entire agreement between the Parties and supersedes and replaces any prior or inconsistent agreements, negotiations, representations or promises, written or oral, between the Parties respecting the subject matter of this Purchase Order. Neither Party has relied on any promises, inducements, or representations by the other, except those expressly stated in this Purchase Order. No modification of this Purchase Order will be binding on either Party unless set forth in a writing signed by an authorized representative of both Parties specifically stating it is amending this Purchase Order. No course of dealing, prior dealings, usage of trade or course of performance will be used to modify, supplement or explain any terms used in this Purchase Order.

3. ON TIME TO REQUEST (OTTR) METRICS

A. **ON TIME TO REQUEST (OTTR) METRICS** A. Supplier agrees to deliver Goods on time to Honeywell requested delivery date in the PO. The OTTR performance rate during the performance of this Purchase Order is 100%.

B. Supplier's OTTR performance rate will be measured each quarter based on Honeywell's calculations as shown on Supplier's scorecard. OTTR performance for any given quarter is expressed as a percentage, calculated as follows: The number of Purchase Order line items with Purchase Order requested delivery dates due within such quarter that are delivered on time and complete will be divided by the total number of Purchase Order line items due in the same quarter. For purposes of this Purchase Order, a Good is delivered on time when it is received at the Honeywell designated address (i) no later than the requested date specified in the applicable Purchase Order and (a) no more than 3 days prior to such date for domestic shipments, or (b) no more than 6 days prior to such date for international shipments.

C. If Supplier fails to meet the OTTR performance rate in any given quarter, Honeywell will be entitled to liquidated damages (not in the form of a penalty) in the form of a rebate equal to 5% of all invoiced amounts for Products delivered late to Honeywell during such quarter, in addition to any other direct and consequential damages that Honeywell shall be entitled to recover as a result of the late delivery.

D. After the end of each calendar quarter, Honeywell will calculate the aggregate amount of the rebates owed by Supplier to Honeywell for the months comprising such calendar quarter, if any, and send to Supplier a demand for payment of rebate (the "Rebate Notice"). Supplier shall pay the rebate amount to Honeywell within 30 days after Supplier's receipt of the Rebate Notice or Honeywell may set-off the rebate amount from payments owing from Honeywell to Supplier.

F. If Supplier is unable to maintain the OTTR performance rate for two consecutive quarters, Supplier will, at Honeywell's option, implement all Goods selected by Honeywell into a replenishment solution provided herein.

4. PARTS PER MILLION (PPM) PERFORMANCE METRICS

A. PPM performance metrics will be measured each quarter and posted to Supplier's scorecard. PPM performance will be calculated by dividing the number of rejects delivered or presented for inspection during a calendar month by the total number of Goods delivered to Honeywell during such quarter and multiplying this quotient by 1,000,000.

- B. Supplier agrees to deliver compliant defect-free Goods to Honeywell and/or its customers. If Supplier fails to meet the 3 month rolling average PPM performance metric of 500 in any given month, Honeywell will be entitled to liquidated damages (not in the form of a penalty) in the form of a 5% rebate of the aggregate invoice price of all non-conforming Goods delivered to Honeywell pursuant to this Purchase Order during such month.
- C. After the end of each calendar quarter, Honeywell will calculate the aggregate amount of the rebates owed by Supplier to Honeywell for the months comprising such calendar quarter, if any, and send to Supplier a demand for payment of rebate (Rebate Notice). Supplier shall pay the rebate amount to Honeywell within 30 days after Supplier's receipt of the Rebate Notice or Honeywell may set-off the rebate amount from payments owing from Honeywell to Supplier.

5. QUALITY AND DELIVERY REQUIREMENTS

- A. Without limiting Honeywell's other rights and remedies under this Purchase Order, at law, or in equity, if Supplier fails to meet any of the agreed quality or delivery requirements under this Purchase Order (in addition to the liquidated damages set forth in Sections 2 and 3 above), Honeywell has the right to recover the following from Supplier: All direct costs and expenses incurred by Honeywell in connection with Supplier's failure to meet its agreed contractual quality and delivery requirements; and all costs and damages paid by Honeywell as a result of Supplier's late or defective delivery of the Goods, including any costs paid to any Honeywell customer or another supplier or sub-supplier, as damages or cover costs incurred by Purchaser in buying replacement Goods.
- B. In addition, Honeywell reserves the right to (1) instruct Supplier to send Goods by other means of transportation and/or to a destination other than the one specified in this Purchase Order at Supplier's expense if Honeywell has rejected the Goods and elected to require delivery of replacement Goods in accordance with the Inspection provision and; (2) to invoice the above costs and damages, which will be paid by Supplier within 30 days following the date of the invoice.
- C. Supplier will (a) comply with the quality system and quality assurance procedures set forth in the Quality Manual made available to Supplier, and (b) participate in and accept the terms of Honeywell's Cost of Poor Performance Program, each of which can be found at the following link: <https://hwll.co/HBTLegal> and may be updated from time to time without notice. At all times during the subsistence of this Agreement, Supplier shall perform all tests or checks required by the specifications and the Honeywell's Quality Manual. Supplier acknowledges and agrees that the price for the Product shall include all costs and expenses associated with such tests and checks.
- D. If this Purchase Order is for the procurement of castings and forging Goods, for the purposes of this Purchase Order, a Latent Defect is defined as a defect or a non-conforming anomaly within the Goods rendering the Goods unusable (i.e. Good that does not conform to Honeywell technical drawings or Specification) that cannot be detected at the Supplier's facility using the Honeywell-approved inspection criteria, yet is discovered at a Honeywell facility, Honeywell supplier facility, or Honeywell customer facility during any subsequent manufacturing or inspection process; or is discovered as a result of Goods failure in the field.

6. DELIVERY, SHIPMENT AND PACKAGING

- A. Time is of the Essence: Supplier will deliver Goods in the quantities and on the date(s) specified on this Purchase Order or Purchase Order schedule releases. If delivery dates are not stated, Supplier will offer its best delivery date(s), which will be subject to acceptance by Honeywell. Unless otherwise directed, all Goods shipped in one day from and to a single location must be consolidated on one bill of lading or air waybill, as appropriate.
- B. If the delivery schedule is endangered for any reason other than Honeywell's fault, then Supplier will, at its expense, deliver Goods by the most expeditious shipping method. Honeywell reserves the right to reject, at no expense to Honeywell, all or any part of any delivery that varies from the quantity authorized by Honeywell for shipment. In addition to the liquidated damages set forth above, Honeywell reserves the right to pursue additional remedies caused by late delivery, including but not limited to (i) incremental freight expenses incurred by Honeywell for shipments of Goods to Honeywell and for shipments of Goods or finished product containing or incorporating the Goods from Honeywell to any customer of Honeywell, and (ii) all direct and consequential damages paid or payable by Honeywell as a result of any such late delivery. Supplier will not make any substitutions without Honeywell's

prior written approval. All items will be packaged according to Honeywell's instructions or, if none, according to good commercial practice in a manner sufficient to ensure receipt in an undamaged condition. Honeywell will not be liable for any discharge, spill or other environmental incident (including clean-up costs) involving any Goods shipped under this Purchase Order unless caused by Honeywell and in no event until delivery to the destination designated by Honeywell. All containers will be properly marked for identification as instructed on Honeywell's Purchase Order and contain a packing slip that details, at a minimum, the Honeywell Purchase Order number(s), product part number, detailed product description, total number of boxes in shipment, quantity of product shipped, and final delivery address. Items shipped in advance of Honeywell's delivery schedule may be returned at Supplier's expense. For domestic shipments, if requested by Honeywell, and for all international shipments, Supplier will give notice of shipment to Honeywell when the Goods are delivered to a carrier for transportation. The Purchase Order number(s) must appear on all correspondence, shipping labels, and shipping documents, including all packing sheets, bills of lading and air waybills.

- C. All Goods, unless specifically exempted by the destination country's governing authorities, must be marked with the country of origin (manufacture) of the Goods in a conspicuous place as legibly, indelibly, and permanently as the nature of the article or container permits.
- D. Supplier will provide Honeywell with (a) the Harmonized Tariff Schedule number, country of origin information or certificates, manufacturer's affidavits, applicable free trade agreement ("FTA") certificates, and any other documents or information Honeywell may require to comply with international trade regulations or to lawfully minimize duties, taxes, and fees, and (b) FTA certificates for all Goods that qualify under one or more FTAs. Supplier will provide Honeywell all documents, records, and other supporting information necessary to substantiate the Goods' qualification under an FTA. Supplier will exert reasonable efforts to qualify the Goods under FTAs
- E. Within one business day after Supplier delivers the Goods to the carrier, Supplier will send Honeywell a complete set of shipping documents including the commercial invoice, packing list, and air waybill, or three original parts of the combined through-bill of lading, clean without notation, necessary to release the Goods to Honeywell's custody.

7. NOTICE OF DELAY

Supplier must immediately notify Honeywell in writing with all information relating to any delay or threatened delay of the timely performance of this Purchase Order.

8. EXCUSABLE DELAY (FORCE MAJEURE)

Neither Party will be in default for any delay or failure to perform due to causes beyond its control and without its fault or negligence and which are unforeseeable, but any delay or failure to perform caused by the default of a sub tier supplier of Supplier (even if Honeywell directs Supplier to purchase components from Honeywell Affiliates, subsidiaries, business units, or divisions, or third party suppliers) will be excused only if (a) it is beyond the control of both Supplier and its sub-tier supplier(s) and without the fault or negligence of any of them, and (b) the Goods to be furnished cannot be obtained from other sources in sufficient time to permit Supplier to meet the delivery schedule. Supplier's ability to sell Goods at a more advantageous price, Supplier's economic hardship in buying materials or processing necessary for manufacture of the Goods, or labor disputes will not constitute an excusable delay event. The Party affected by an excusable delay will promptly provide written notice to the other, explaining in detail the full particulars and expected duration of the excusable delay, and will use its best efforts to mitigate the effects of the delay and remedy the delay if it can be remedied. If Supplier's delivery is delayed, Honeywell may, at Honeywell's sole option, cancel deliveries scheduled during the excusable delay period or elect to extend the period of performance to cover the period of delay caused by the excusable delay. If an excusable delay occurs that affects delivery of Goods to Honeywell, Supplier will allocate its available supply of Goods in a manner that assures Honeywell of at least the same proportion of Supplier's total output of Goods as was allocated to Honeywell before the excusable delay event. If delivery of any Goods is delayed for more than 30 days, Honeywell may, without liability, cancel all or any part of this Purchase Order.

9. PERFORMANCE ASSURANCE PLAN

If Honeywell, in its sole discretion, determines there is a significant risk that Supplier will fail to meet its performance or delivery requirements under this Purchase Order, Honeywell may require Supplier to perform under a Honeywell or Honeywell-approved Performance Assurance Plan. The Performance Assurance Plan may include specific reporting and

performance requirements reasonably tailored to ensure Supplier's adequate performance under identified provisions of this Purchase Order. Any failure by Supplier to satisfy the terms of the Performance Assurance Plan is a material breach of this Purchase Order.

10. SHIPPING TERMS, TITLE AND RISK OF LOSS

- A. If the Goods will be transported from Supplier's location in the U.S. to Honeywell's location in the U.S., unless otherwise specified on the face of this Purchase Order or in a separate agreement, the F.O.B. (UCC terms) point is Honeywell's location. When the F.O.B. point is Supplier's U.S. location, Supplier bears all risk of loss or damage to the Goods and title passes to Honeywell upon delivery of the Goods to the carrier designated or approved by Honeywell. When the F.O.B. point is Honeywell's U.S. location, Supplier bears all risk of loss or damage to the Goods and title passes to Honeywell upon delivery of the Goods at Honeywell's location.
- B. In all other cases, unless otherwise specified on the face of this Purchase Order or in a separate agreement, Supplier will deliver the Goods DAP (Incoterms 2020) at Honeywell's location. Title to Goods passes to Honeywell upon receipt at Honeywell's location.
- C. The foregoing does not relieve Supplier of any responsibility for hidden damages discovered after acceptance of the Goods. Notwithstanding the foregoing, title and risk of loss to Goods subject to a consignment stock agreement pass upon release of the Goods from the consignment stock. Honeywell may direct Supplier to ship the Goods to Honeywell or to any third party designated by Honeywell.

11. IMPORT/CUSTOMS COMPLIANCE

Supplier assumes all responsibility and liability for any shipments covered by this Purchase Order requiring any government import clearance. If government authorities declare or otherwise impose countervailing duties, antidumping duties, or retaliatory duties on the Goods imported under this Purchase Order, Honeywell reserves the right to terminate this Purchase Order in accordance with the Termination provisions of this Purchase Order. Supplier will be debited for any duties, fees, or freight incurred by Honeywell due to Supplier's failure to comply with the terms and conditions of this Purchase Order.

12. DRAWBACK

All drawback of duties, and rights thereto, related to duties paid by Supplier or Honeywell when the Goods or any materials or components used in manufacturing of the Goods are imported will accrue to the exclusive benefit of Honeywell. Duty drawback rights include rights developed by substitution and duty drawback rights obtained from sub tier suppliers related to the Goods. Supplier will provide Honeywell with all documents, records, and other supporting information necessary to obtain any duty drawback and will reasonably cooperate with Honeywell to obtain payment.

13. OFFSET

Supplier will assist Honeywell in obtaining credit from Supplier's government for the value of relevant Goods purchased to meet any present or future contractual offer or industrial benefit requirements imposed upon Honeywell or its subsidiaries or affiliates. Assistance includes, but is not limited to, providing upon Honeywell's request evidence of the existence, value, content, and other pertinent information relating to the purchases. Honeywell reserves the right to claim these credits for itself or third parties. If Supplier awards any portion of the work in this Purchase Order to any lower tier supplier, Supplier will assign to Honeywell any credits obtained from the lower-tier supplier's government relating to this transaction and assist Honeywell in obtaining those credits.

14. HONEYWELL-SUPPLIED MATERIALS, TOOLING, EQUIPMENT AND TECHNICAL DATA

- A. Title to any material, tooling, equipment, and technical data that Honeywell pays for or provides to Supplier ("Honeywell Property") will remain or vest with Honeywell. Supplier will conspicuously label Honeywell Property as Honeywell Property, maintain it in good condition, keep written records of the Honeywell Property in its possession including the location of the property, will not allow any liens to be placed upon it, will not abandon Honeywell Property, prohibit any third party from using or taking possession of Honeywell Property and not change its location without prior written approval from Honeywell. Supplier is responsible for inspecting and determining that the Honeywell Property is in useable and acceptable condition.

B. Supplier will use Honeywell Property exclusively to fulfill Honeywell Purchase Orders unless otherwise authorized in writing by Honeywell's procurement representative. Honeywell Property is intended for use at the Supplier's site only or as otherwise authorized in writing by Honeywell's procurement representative and, to the extent applicable, is subject to U.S. and other government export or re-export requirements. Supplier is responsible for any loss, damage, or destruction of Honeywell Property and any loss, damage, or destruction of any third-party property or personal injuries resulting from Supplier's negligent use of Honeywell Property. Supplier will not include the cost of any insurance for Honeywell Property in the prices charged under this Purchase Order. Supplier will return Honeywell Property or dispose of it at Honeywell's sole option as it directs in writing. Honeywell makes no representations and disclaims all warranties (express or implied) with respect to Honeywell Property.

15. PRICE

Supplier will furnish the Goods at the prices stated on the face of this Purchase Order. If prices are not stated on the face of this Purchase Order, Supplier will offer its lowest prices subject to written acceptance by Honeywell. Unless otherwise provided on the face of this Purchase Order, the prices include all packaging and freight to the specified delivery point; applicable taxes and other government charges including, but not limited to, all sales, use, or excise taxes; and all customs duties, fees, or charges that must be separately itemized on all Supplier invoices. To the extent that value added tax (or any equivalent tax) is properly chargeable on the supply to Honeywell of any Goods, Honeywell will pay the tax as an addition to payments otherwise due Supplier under this Purchase Order, if Supplier provides to Honeywell a value-added tax (or equivalent tax) invoice. To the extent Honeywell has not received from Supplier all applicable forms regarding compliance with applicable tax law, Honeywell reserves the right to deduct from any payment to Supplier pursuant to this Purchase Order those amounts that Honeywell, in its sole discretion, deems to be required to be withheld in order to comply with the tax laws of any applicable jurisdiction. Purchase Order prices are firm and not subject to adjustment due to duties, tariffs, and custom fees imposed by any government entity.

16. PRICE: MOST FAVORED CUSTOMER AND MEET OR RELEASE

Supplier warrants that the prices charged for the Goods delivered under this Purchase Order are the lowest prices charged by Supplier for similar goods. If Supplier charges a lower price for similar goods, Supplier must notify Honeywell and apply that price to all Goods ordered under this Purchase. If at any time before full performance of this Purchase Order Honeywell notifies Supplier in writing that Honeywell has received a written offer from another supplier for similar goods at a price lower than the price set forth in this Purchase Order, Supplier must immediately meet the lower price for any undelivered Goods. If Supplier fails to meet the lower price, in addition to other rights or remedies, Honeywell, at its option may terminate the balance of this Purchase Order without liability.

17. INVOICING AND PAYMENT

After each shipment made or service provided, Supplier will submit an invoice listing a description of the Goods provided and, as applicable, part numbers, quantity, unit of measure, hours, and the unit and total prices. Supplier must provide invoices no later than 90 days after provision of Goods to Honeywell otherwise Supplier waives its right to payment. This invoice must match the corresponding Purchase Order pricing, quantities, and terms, and must be sent to the bill to address listed on this Purchase Order. All applicable taxes and other Government charges including, but not limited to, sales, use, or excise taxes; value added tax, customs duties, fees, and all incidental charges including but not limited to royalties, selling commissions, nonrecurring engineering, or other incidental charges must be separately itemized and identified on the invoice. The invoice must also include the following information in English, or in the destination country's official language if required: (a) name and address of Supplier and the Honeywell entity purchasing the Goods; (b) name of shipper (if different from Supplier); (c) Honeywell's Purchase Order number(s); (d) country of export; (e) detailed description of the Goods; (f) Harmonized Tariff Schedule number; (g) country of origin (manufacture) of the Goods, or if multiple countries of origin, the country of origin of each part shipped; (h) weights of the Goods shipped; (i) currency in which the sale was made; (j) payment terms; (k) shipment terms used; and (l) all rebates or discounts. If an invoice does not comply with the above requirements or is exhausted (out of funds or paid in full), or the invoice contains quantities or prices greater than the ones reflected on this Purchase Order the invoice will be rejected back to Supplier. The invoice will be accompanied (if applicable) by a signed bill of lading or express receipt evidencing shipment. Payment of an invoice does not constitute acceptance of the Goods and is subject to appropriate adjustment should Supplier fail to meet the requirements of this Purchase Order. Payment terms are net 180 days from receipt of a correct invoice and conforming Goods unless otherwise stated on the face of this Purchase Order or other written agreement executed by both Parties; provided, however, that in the event that applicable law requires a payment terms period of shorter duration, payment terms shall be the maximum period allowed by applicable

law. Invoices will not be approved unless they accurately reference conforming Goods received by Honeywell or services satisfactorily performed for Honeywell, as well as a valid Purchase Order number, supplier name and address, line description, quantity at line level, price at line level, withholding rates and/or amounts for applicable taxes. Payment will be scheduled for the first payment cycle following the net terms for this Purchase Order.

18. SETOFF

Honeywell may deduct any amount owing from Supplier to Honeywell as a set off against any amount owing to Supplier under this Purchase Order.

19. INSPECTION

- A. All Goods may be inspected and tested by Honeywell, its customers, higher-tier contractors, and end users at all reasonable times and places. If inspection or testing is made on Supplier's premises, Supplier will provide, without charge, all reasonable facilities and assistance required for the inspection and tests. Supplier's standard inspection and testing system must be approved by Honeywell in writing. All inspection and testing records, including sub-tier supplier records relating to the Goods, will be maintained by Supplier and made available to Honeywell during the performance of this Purchase Order, and for such longer periods if specified by Honeywell.
- B. Final inspection and acceptance by Honeywell will be at destination unless otherwise specified in this Purchase Order. Honeywell may inspect all or a sample of Goods and may reject all or any portion of the Goods within 90 days of delivery if Honeywell determines the Goods to be defective or nonconforming. If Honeywell performs any inspection (other than the standard inspection) after discovering defective or nonconforming Goods, any additional inspection costs will be paid by Supplier. No inspection, tests, approval, design approval, or acceptance of the Goods relieves Supplier from responsibility for warranty or any defects, (latent or otherwise) fraud, or negligence. If Goods are defective or nonconforming, Honeywell may, by written notice to Supplier; a) rescind this Purchase Order as to the Goods; b) accept the Goods at an equitable reduction in price; or c) reject the Goods and require the delivery of replacements. Delivery of replacements will be accompanied by a written notice specifying that the Goods are replacements. If Supplier fails to deliver replacements promptly, Honeywell may (1) correct any retained defective or nonconforming Goods at Supplier's expense; (2) replace them with Goods from another supplier and charge the Supplier the cost thereof, including cover, and any incidental costs; or (3) terminate this Purchase Order for cause.

20. INDUSTRY CERTIFICATIONS. The Goods shall be listed with applicable international industrial standards association and it shall be the responsibility of Supplier to maintain and keep valid such certifications during the validity of this Agreement. Supplier shall not release any Goods for shipment that does not conform to the quality manual. The Parties wish to further define the individual responsibilities as to the quality aspects of manufacturing and acceptability of Goods to ensure compliance with applicable Good Manufacturing Practices (GMPs), the marketing authorization of the Goods, applicable regulatory requirements, and Honeywell's requirements as specified by Honeywell, in accordance with the terms and conditions of this Agreement.

Prior to shipment, Supplier will test all Products in accordance with mutually agreed testing, measurement and inspection procedures. Honeywell, and its customers, may from time to time attend Supplier's facility to observe or participate in such testing. All Supplier Product test and inspection records will be available to Honeywell at any time during the Term and for 2 years thereafter upon Honeywell's request.

If the Products are listed with or it becomes necessary, in Honeywell's sole opinion, to list/certify the Products with any international industrial standards association, Supplier will, at its sole cost, take such actions as are necessary to maintain/obtain such listing/certification at all times. If Supplier fails to pass any audit by such standards association, then Supplier will pay for the re-audit by the applicable standards association. Such re-audit will occur as soon as possible. Supplier is liable for any damages incurred by Honeywell as a result of Supplier's failure to pass such audit and any re-audit. If any materials or component parts that comprise a listed/certified Product are, for any reason, not available and must be replaced by an alternative material or component part, Supplier will pay for any costs related to relisting/recertifying such Product. Such relisting/recertifying will occur as soon as possible. Supplier is liable for any damages incurred by Honeywell as a result of Supplier's delay in obtaining such relisting/recertification. Supplier will provide Honeywell with at least 90 days written notice prior to the termination of any Product listing/certification.

21. RECALL.

Supplier is liable for all costs or damages associated with any voluntary or involuntary recall of defective or potentially defective Goods or any products containing or incorporating such defective or potentially defective Goods. Supplier will be solely responsible for administering any recall or will fully participate in the administration of any recall conducted by Honeywell or its customer in relation to Supplier's defective or potentially defective Goods as Honeywell may so direct. Each Party will cooperate in making available records and other information reasonably required by the other Party in connection with any recall. Supplier agrees to promptly provide Honeywell with any and all safety bulletins, field service action notices, and any other quality or safety correspondence (including cyber security threats) that it or any of its customers have received.

22. WARRANTY

Supplier warrants to Honeywell, its successors, assigns, customers, and end users that, during the entire Warranty Period specified below, all Goods furnished (including all replacement or corrected Goods or components): will be free from defects in material, workmanship, and design, even if the design has been approved by Honeywell; will conform to applicable drawings, designs, quality control plans, specifications and samples and other descriptions furnished or specified by Honeywell; will be merchantable; be fit for the intended purposes and operate as intended; will comply with all laws; will be free and clear of any and all liens or other encumbrances; will not infringe any patent, published patent application, or other intellectual property rights of any third party; and will not utilize misappropriated third party trade secret information. Goods that do not meet the preceding standards are collectively called "nonconforming Goods." Services will be performed in accordance with the highest standards in the industry.

Unless otherwise set forth in an agreement between Honeywell and the Supplier to which these PO terms are attached, the Warranty Period is 36 months from the date of delivery to the end user or such longer period of time as may have been accepted by Honeywell from Honeywell's customer or on which any longer government requirement covering the Goods ends. These warranties survive delivery, inspection, acceptance, and payment by Honeywell. Claims for breach of warranty do not accrue until discovery of nonconforming Goods, even if the Goods were previously inspected. Any applicable statute of limitations runs from the date of discovery. Honeywell may, at its election, have the nonconforming Goods repaired, replaced, or corrected at Supplier's expense. Supplier is responsible for the costs of repairing, replacing, or correcting nonconforming Goods, and for all related costs, expenses, and damages including, without limitation, the costs of removal, disassembly, failure analysis, fault isolation, reinstallation, re-inspection, and retrofit of the nonconforming Goods or of Honeywell's affected end-product; all freight charges; all customer charges; and all corrective action costs. Unless set off by Honeywell, Supplier will reimburse Honeywell for all these costs upon receipt of Honeywell's invoice. The warranties and rights provided are cumulative and in addition to any warranty provided by law or equity.

If, following delivery, Goods exhibit a substantially similar repetitive root cause, failure mode, or defect indicating a common or systemic failure ("Epidemic Failure"), then, without prejudice to Honeywell's rights under Section 23: (a) the party discovering the failure will promptly notify the other and Supplier will provide to Honeywell a preliminary plan for problem diagnosis within one business day of such notification, which plan Supplier will revise at Honeywell's request; (b) Supplier and Honeywell will diagnose the problem, plan an initial work-around and effect a permanent solution; (c) Supplier and Honeywell will agree on a plan for customer notification, replacement scheduling and remediation, including identification of suspect population, field removal, return and reinstallation, work in process ("WIP"), inventory replacement, and repair, or retrofitting, regardless of location or status of WIP completion; and (d) Supplier is responsible for all costs and damages associated with any Epidemic Failure. Honeywell and Supplier will work together in good faith to establish and expeditiously implement an Epidemic Failure action plan. If Supplier or any of its component suppliers initiate any Product or component recalls, retrofits, or service bulletins that affect Product quality, Supplier will immediately communicate this information to Honeywell.

No part of any software, deliverables, or Goods delivered by Supplier under this Purchase Order will contain any software or component licensed or obtained under any Open Source licensing program. "Open Source" means any software or other material that is distributed as "free software," "open source software," or under a similar licensing or distribution model (including but not limited to the GNU General Public License (GPL), GNU Lesser General Public License (LGPL), Mozilla Public License (MPL), and the Apache License). If Supplier uses Open Source in any software, deliverable, or Goods, Supplier must first seek written approval from Honeywell and, if approved, Supplier must identify each Open Source item along with the applicable license terms. For any such approved Open Source, Supplier represents that (a) Supplier is in compliance with the terms and conditions of all applicable licenses for Open Source, and (b) Honeywell's use of such Open

Source (i) will not adversely impact Honeywell's proprietary software, (ii) will not require Honeywell to make available the source code for any Honeywell propriety software, and (iii) will not prohibit or limit Honeywell from charging a fee in connection with sublicensing or distributing the software.

Goods covered by this Purchase Order will comply with all applicable treaties, laws, regulations of the place of manufacture and Canadian, European Union and U.S. state and federal laws, regulations and standards, (a) concerning the importation, sale, design, manufacture, packaging and labeling of its Goods, (b) regulating the sale of Goods, and (c) relating to the environment and/or the toxic or hazardous nature of Goods or their constituents, including (without limitation) the U.S. Toxic Substances Act, the U.S. Occupational Safety and Health Act, the U.S. Hazardous Communication Standard, the Federal Hazardous Substances Act, the California Proposition 65, European ROHS standards, and other current and subsequently applicable requirements; and Supplier agrees that it shall furnish promptly on request and provide all information and certifications evidencing compliance with such laws, regulations, standards, and requirements.

23. THIRD PARTY WARRANTIES

Supplier must obtain third party warranties consistent with Section 21 for all Components, and services required by Supplier to perform under this Agreement and Supplier is solely responsible for ensuring that all Components meet required specifications, operate as intended and are free from all defects in workmanship and materials. Supplier is solely liable if a Component fails to conform to the requirements of this Agreement, and Supplier will manage all Goods and Services defect issues (failure analysis, repair or replacement and the like) that arise due to the Component supplier's breach of warranty. If Supplier fails to do so, then Honeywell has the right to withhold payment(s), in addition to its other rights and remedies, until this obligation is satisfied.

24. CHANGES

- A. Honeywell may, by written or electronic notification, direct changes in the drawings, designs, specifications, method of shipment or packing, quantity, or time or place of delivery of the Goods; reschedule the services; or require additional or diminished services. Only authorized Honeywell procurement representatives may issue changes to this Purchase Order. If any change causes an increase or decrease in the cost of, or the time required for, performing this Purchase Order, an equitable adjustment will be made in the Purchase Order price, delivery dates, or both, and this Purchase Order will be modified in writing or electronically accordingly. Any claim for adjustment under this provision may, at Honeywell's option, be deemed to be waived unless asserted in writing (including the amount of the claim and adequate supporting documentation) and delivered to Honeywell within 30 days from the date of the receipt by Supplier of the Honeywell-directed change to this Purchase Order. If Honeywell compensates Supplier for property made obsolete or excess by a change, Honeywell may prescribe the manner of disposition of the property. Notwithstanding any disagreement between the Parties regarding the impact of a change, Supplier will proceed diligently with its performance under this Purchase Order pending resolution of the disagreement.
- B. If a regulatory agency changes or issues new requirements for certification, requiring a change in technical requirements to permit delivery of compliant, certifiable Goods, then Supplier will make or cause such changes to be made to the Goods at Supplier's expense, but only after coordination with Honeywell and receipt of written approval of Honeywell's Authorized Representative.

25. DESIGN AND PROCESS CHANGES

- A. Supplier will make no changes in the design, materials, manufacturing location, manufacturing equipment, production process, changes between a manual and automated process, or any other processes related to the Goods specified in this Purchase Order or documents referenced in it, or if none, those in place when this Purchase Order is issued, without the advance written approval of Honeywell's procurement representative. This requirement applies whether or not the change affects costs and regardless of the type of change, including product improvements. Supplier will notify Honeywell of any such potential changes promptly as it becomes aware of them.
- B. To request approval to change a manufacturing location or subcontracting of process required to manufacture the Goods, Supplier must provide Honeywell with a plan at least 180 days prior to the proposed start date of implementing such change in the manufacturing location or subcontracting of processes required for the Goods. Any such plan is subject to Honeywell's written approval, and must result in a reduction in the prices charged by Supplier to Honeywell for Goods, and must demonstrate that Supplier has taken all necessary actions to avoid

negative impacts to Honeywell, including, but not limited to, maintaining additional inventory, overlapping production schedules, etc. Such price reductions will be agreed to by Supplier and Honeywell prior to implementation.

- C. Supplier will be responsible for any and all of Honeywell's costs incurred as a result of changes implemented by Supplier including but not limited to all customer charges; all labor costs, including engineering costs, travel and lodging; all costs to transition to an alternative source of supply; redesign and/or recertification; and all corrective action.
- D. Supplier will flow down this requirement in all its subcontracts and purchase orders for purchased goods or process-related services required for the Goods, whether such Goods are supplied to Supplier as an end item, a component part of an end item, or an individual piece part.

26. SURGE CAPACITY CAPABILITY

Honeywell will update its Forecasts weekly/monthly to reflect anticipated adjustments in requirements. It is the Supplier's responsibility to capture Honeywell's Forecasts and review them to update projected production and to ensure production line capacity for Products. Supplier shall reserve and maintain at least 140% surge capacity. i.e., the ability to support at least 140% of the forecast volume with sufficient capacity and labor for the specific production lines supporting the Products

27. STOP WORK

At any time by written notice and at no cost, Honeywell may require Supplier to stop all or any part of the work under this Purchase Order for up to 120 days ("Stop Work Order"), and for any further period as mutually agreed. Immediately upon receipt of a Stop-Work Order, Supplier will comply with its terms. At any time, Honeywell may, in whole or in part, either cancel the Stop Work Order or terminate the work under the Termination section of this Purchase Order. To the extent the Stop Work Order is canceled or expires, Supplier must immediately resume work.

28. TERMINATION

- A. Either party may immediately terminate this PO in the event (a) of a material breach by the other party of its obligations under the Purchase Order which remains uncured 30 days after receipt of the notice of breach, except in the case of breach related to safety, health, security, or any misuse or disclosure of Honeywell's intellectual property rights or Confidential Information, in which case Honeywell will have the right to immediately terminate this Purchase Order, (b) the other party becomes insolvent or suspends any of its operations or if any petition is filed or proceeding commenced by or against such party under any law relating to bankruptcy, arrangement, reorganization, receivership or assignment for the benefit of creditors, or (c) the other party breaches its obligations under any applicable export laws or is placed on any debarred list for violation of any applicable export control laws or regulations. Honeywell may immediately terminate if Supplier experiences a Change of Control. **"Change of Control"** means (whether in a single transaction or in a series of transactions): the sale or transfer of all or substantially all of a party's assets or any material asset to any third party; the acquisition of a party by any third party or parties including, without limitation, by any reorganization, merger or consolidation, whether with or into any other third party or parties or otherwise; or the acquisition by a third party or parties of beneficial ownership of more than 50% of the voting power of a party. Termination is without liability to Honeywell except for payment for completed Goods delivered and accepted by Honeywell before the date of termination.
- B. Notwithstanding any firm time period or quantity on the face of this Purchase Order, Honeywell may terminate this Purchase Order in whole or in part at any time with or without cause for undelivered Goods or unperformed services upon 10 days' prior written notice.
- C. If Honeywell terminates this Purchase Order under Subsections A or B in this Termination provision, Honeywell's sole liability to Supplier, and Supplier's sole and exclusive remedy, is payment for Goods received and accepted by Honeywell before the date of termination. The payment can be set off against any damages to Honeywell. Upon termination, Honeywell may require Supplier to transfer title and deliver to Honeywell any completed Goods and Honeywell will pay the Purchase Order price for those Goods subject to set off against any damages to Honeywell. In addition to any other rights it may have, require Supplier to deliver to Honeywell (a) completed Goods (subject to Honeywell's obligation to pay for them); and (b) drawings, specifications, plans, information, hardware and software that Supplier has produced or acquired specifically for the performance of this Purchase Order. Supplier must supply

the Goods according to the terms of this Purchase Order issued, but unfulfilled, prior to any termination or expiration of this PO.

- D. If Honeywell terminates this PO, in whole or in part, for cause, Honeywell may, without prejudice to any other rights or remedies it may have, provide or perform, or have a third party provide or perform, all or any part of the Goods which have not been provided or performed at the time of termination, in accordance with the applicable SOW or PO. All additional costs incurred by Honeywell in providing or performing the Goods or having a third party do so, including reasonable overhead, incidental expenses and reasonable attorney and professional fees, will be charged to Supplier or deducted from any sums due or to become due to Supplier. "Additional costs," as used in the foregoing sentence, means the difference between the agreed amounts that Honeywell would have paid Supplier for timely, compliant Goods, and what Honeywell pays for substitute performance and/or replacement Goods from the replacement supplier.
- E. To the extent that any portion of this Purchase Order is not terminated under Subsections A or B above, Supplier will continue performing that portion.

29. CESSATION OF PRODUCTION

If production of any Good is to be discontinued or suspended within 1 year after final delivery under this Purchase Order, Supplier must give Honeywell as much prior written notice as commercially reasonable of the discontinuance or suspension. For at least two years from the discontinuance or suspension, Supplier must accept orders from Honeywell for the Good at the price and on the terms of this Purchase Order.

30. BUY HONEYWELL

Supplier will use commercially reasonable efforts to utilize Honeywell products and services in the fulfillment of this Purchase Order. Upon Honeywell's request, the Parties will mutually agree on the establishment of reasonable metrics for the utilization of Honeywell products and services.

31. GENERAL INDEMNIFICATION

Supplier will, at its expense, defend, hold harmless, and indemnify Honeywell and its subsidiaries, affiliates, and agents, and their respective officers, directors, shareholders, employees, and customers (collectively "Indemnitees") from and against any and all loss, cost, damage, claim, or liability, including reasonable attorney and professional fees and costs, and the cost of settlement, compromise, judgment, or verdict ("Loss") incurred by or demanded of an Indemnitee arising out of, resulting from or occurring in connection with Supplier's Goods or the performance of the Goods by Supplier or its personnel (including any employment-related Loss arising out of, resulting from, or occurring in connection with the performance), the acts, omissions, negligence, or willful misconduct of Supplier or its personnel, Supplier's breach of the terms of this Purchase Order, or any theft or other misappropriation of Honeywell's or its personnel's information, property, or funds by Supplier or its personnel. Indemnitee may participate in the defense or negotiations to protect its interests. Supplier will not enter into any settlement or compromise without Honeywell's prior written consent, which will not be unreasonably withheld. Supplier's indemnification includes claims between the Parties including legal fees. If Honeywell is obligated to pay any Loss or any damages pursuant to its contract with a customer, then Supplier will be liable for such Loss or any damages to the extent Supplier causes or contributes to such Loss or any damages. Nothing in this Section limits Honeywell's right to claim all actual damages sustained by Honeywell as a result of Supplier-caused delays.

32. INTELLECTUAL PROPERTY INDEMNIFICATION

For Goods provided under this Purchase Order, Supplier will, at its expense, defend and indemnify Honeywell Indemnitees (as defined above) from and against any and all Loss (as defined above) incurred by or demanded of Indemnitee arising out of, or relating to any alleged or actual: (a) patent, copyright, or trademark infringement; (b) unlawful disclosure, use, or misappropriation of a trade secret; or (c) violation of any other third-party intellectual property right, and from expenses incurred by Indemnitee in defense of such suit, claim, or proceeding if Supplier does not undertake the defense thereof. Supplier will not enter into any settlement without Honeywell's prior written consent, which will not be unreasonably withheld. Indemnitee may participate in the defense or negotiations to protect its interests. If any injunction or restraining order is issued, Supplier will, at Honeywell's option and Supplier's expense, obtain for Indemnitee either the right to continue using and selling the Goods or replace or modify the Goods to make them non-infringing without any loss of functionality.

Supplier's indemnification of Honeywell includes inter-party claims. In no event shall Honeywell be required to indemnify or defend Supplier as a result of any claims accusing the Goods of infringement.

33. INSURANCE

Supplier will maintain, at its sole cost and expense, insurance which includes, but is not limited to, commercial general liability (including products and completed operations liability) in a sum no less than \$5 million per occurrence and annual aggregate, commercial automobile liability in a sum no less than \$5 million per occurrence, worker's compensation in an amount no less than the applicable statutory minimum requirement, and employer's liability in an amount of no less than \$1 million per accident/per employee, with insurance carriers with an AM Best rating of no less than A- VII or equivalent. Before delivery of any Goods or commencement of any services under this Purchase Order, Supplier will provide to Honeywell evidence that Supplier maintains the described insurance, and Supplier will provide Honeywell 30 days advance written notification of cancellation or material change of required insurances. For commercial general liability, Supplier shall include Honeywell International Inc. as additional insured. Except where prohibited by law, Supplier will require its insurers to waive all rights of recovery or subrogation against Honeywell, its subsidiaries and affiliated companies, and its and their respective officers, directors, shareholders, employees, and agents. The amount of insurance carried in compliance with the above requirements is not to be construed as either a limitation on or satisfaction of the indemnification obligation in this Purchase Order.

34. LIEN WAIVERS

Supplier will furnish, upon Honeywell's request, waivers by Supplier and all other persons entitled to assert any lien rights in connection with the performance of this Purchase Order and will indemnify Honeywell against all costs, loss, or liability incurred by Honeywell as a result of any failure by Supplier or any other person to comply with this provision.

35. CONFIDENTIALITY

- A. All information, including without limitation specifications, samples, drawings, materials, know-how, designs, processes, and other technical, business, or financial information, that: (a) has been or will be supplied to Supplier by or on behalf of Honeywell; or (b) Supplier will design, develop, or create in connection with this Purchase Order; as to individual items or a combination of components or both, and whether or not completed, and all derivatives of (a) and (b) that Supplier has or will design, develop, or create are deemed to be "Confidential Information" of Honeywell. All Confidential Information is work made for hire and made in the course of services rendered. All rights to it belong exclusively to Honeywell, with Honeywell having the sole right to obtain, hold, and renew, in its own name or for its own benefit, patents, copyrights, registrations, or other appropriate protection. To the extent that exclusive title or ownership rights in Confidential Information may not originally vest in Honeywell, Supplier irrevocably assigns, transfers, and conveys to Honeywell all right, title, and interest therein.
- B. Honeywell's Confidential Information will remain the property of Honeywell. It may not be used by Supplier for any purpose other than for performing this Purchase Order, may not be disclosed to any third party, and will be returned to Honeywell upon the earlier of Honeywell's written request or completion of this Purchase Order. If, with Honeywell's prior written approval, Supplier furnishes Confidential Information to a sub-tier supplier, Supplier will bind the sub-tier supplier to confidentiality requirements substantially identical to this provision and Supplier will remain responsible to Honeywell for any breach of this provision by its sub-tier suppliers. No disclosure, description or other communication of any sort will be made by Supplier to any third person of the fact of Honeywell's purchase of Goods under this Purchase Order, the terms of this Purchase Order, the substance of any discussions or negotiations concerning this Purchase Order, or either Party's performance under this Purchase Order.
- C. **"Personal Data"** Supplier agrees to and shall comply with Honeywell's Data Privacy Obligations for Suppliers published at <https://www.honeywell.com/en-us/company/integrity-and-compliance> and [here](#), the terms of which are incorporated into this Purchase Order by reference. Honeywell and Supplier agree that the execution of this Purchase Order, whether in the form of electronic or physical signature or acceptance by click-to-accept button, shall constitute Honeywell's and Supplier's acceptance of the Honeywell's Data Privacy Obligations for Suppliers.
- D. Data Rights: Without limiting any other rights Honeywell might have under this Purchase Order, Supplier grants Honeywell and its subsidiaries and affiliates access to and a perpetual, irrevocable, non-exclusive, worldwide, fully paid up right to retain, transfer, duplicate, analyze, modify, prepare derivative works, and otherwise use for any

purpose all data inputted, uploaded, or transferred in relation to, or which is collected by, the Goods and any related products or services (“Goods Data”). Goods Data is Honeywell Confidential Information. All information, analysis, inventions, and algorithms derived from Goods Data by Honeywell and/or its subsidiaries and affiliates and any intellectual property rights obtained thereon, are owned exclusively and solely by Honeywell and are Honeywell's Confidential Information.

36. TECHNOLOGY AND INTELLECTUAL PROPERTY RIGHTS

- A. **Honeywell Trademarks.** Honeywell will have the right to market the Products under its own trademark, trade name or product designation. Supplier will not use any trademark or trade names (“**Trademarks**”) of Honeywell without first obtaining Honeywell's written permission. Once written permission is granted, Supplier has the limited right during the term of this Agreement, to use the trademarks identified by Honeywell to Supplier only in connection with the direct manufacture or production of Products. Supplier may not sublicense or grant the trademark rights granted herein to any third party. Supplier will sell or distribute Products only to Honeywell. Supplier shall only use the Trademarks in the specific form and manner provided by Honeywell and only according to Honeywell's direction, including quantities, quality and manufacturing and shipment dates. Upon expiration or termination of this Agreement, Supplier shall immediately cease any and all use of any Trademarks in any manner. Honeywell may revoke the Supplier's right to use any Trademarks at any time and in its sole and absolute discretion by giving written notice. Such notice will be effective immediately upon receipt. Supplier shall not use the Trademarks as part of any corporate or business name and will not attempt to register, register or own (at any time and in any country) the Trademarks, any term confusingly similar to the Trademarks, or any domain name, keyword or social media networking or media account name which incorporates the Trademarks in whole or in part. Any rights acquired by Supplier in violation of this section will immediately be assigned to Honeywell upon request.
- B. **Intellectual Property Assurances:** All Supplier personnel participating in the performance of this Purchase Order will be under written agreements with the Supplier to assign all rights in Supplier's Foreground Technology to Supplier. Supplier will disclose to Honeywell all Inventions created, conceived, or developed by Supplier personnel that constitute Foreground Technology and that per the terms of this Purchase Order may be owned (in whole or in part) by or licensed to Honeywell within 30 days of such creation, conception, or development. Supplier and its personnel will provide Honeywell, and/or any Honeywell designee, all reasonable assistance and execute all documents necessary to assist and/or enable Honeywell to perfect, preserve, register and/or record Honeywell's rights in Supplier's Foreground Technology.
- C. **Background Technology:** Each Party will retain all right, title and interest in and to their respective Background Technology, subject to any licenses that may be granted in this Purchase Order. Honeywell hereby grants to Supplier a fully paid-up, non-exclusive license to use Honeywell's Background Technology. Foreground Technology, and Joint Technology solely for the purposes of designing, manufacturing, selling or otherwise providing Goods and Deliverables to Honeywell as contemplated under this Purchase Order. Supplier hereby grants to Honeywell a worldwide non-exclusive, royalty free license to use Supplier's Background Technology to the extent necessary for Honeywell to use the Goods and Deliverables provided by Supplier as reasonably contemplated and to complete its obligations under the higher tier contract giving rise to this Purchase Order.
- D. **Foreground Technology:** All Foreground Technology will be the sole and exclusive property of Honeywell and Honeywell will retain any and all rights to file any patent applications or other registrations thereon. To the extent required, Supplier hereby agrees to grant and grants to Honeywell any and all license rights in Supplier's Background Technology required for Honeywell to use the assigned Foreground Technology in the normal course of Honeywell's business operations.
- E. **Joint Technology:** All Joint Technology will be the sole and exclusive property of Honeywell. Supplier hereby irrevocably assigns, transfers, and conveys to Honeywell all right, title and interest in and to all Joint Technology with Honeywell having the sole and exclusive right to obtain, hold and renew, in its name only or for its own benefit, patents, copyrights, registrations, or other appropriate protection. No Joint Technology rights of any kind are reserved or retained by Supplier.

- F. **IOT Data:** If Goods or Deliverables will be connected to a network in any way, or generate IOT Data, then Honeywell will own and have the sole and exclusive right, title, interest, custody, possession and control of IOT Data. Supplier may retain, use, copy, and modify the IOT Data solely in performance of this Contract. Supplier will in no way encumber or restrict Honeywell's ability to access and/or use IOT Data, and Supplier relinquishes and waives all rights in and to IOT Data.
- G. **Transfer of Technology Ownership:** Each work of authorship constituting Supplier's Foreground Technology is deemed to be a "work made for hire" under U.S. Copyright Law and Honeywell will be deemed the author of such work. If any such work is determined not to be a work made for hire, this article will operate as an irrevocable assignment by the author and the Supplier of all right, title and interest throughout the world in the copyright in the work, including the right to make derivatives thereof and revisions thereto. Further, to the extent that exclusive title and ownership rights in Foreground Technology does not originally vest in Honeywell, Supplier hereby irrevocably assigns, transfers, and conveys to Honeywell all right, title and interest in and to all Foreground Technology with Honeywell having the sole and exclusive right to obtain, hold and renew, in its own name or for its own benefit, patents, copyrights, registrations, or other appropriate protection. No Foreground Technology rights of any kind are reserved or retained by Supplier.
- H. **Deliverables:** Supplier hereby assigns all right and title in and to all Deliverables to Honeywell. Honeywell's ownership of the Deliverables and the associated Intellectual Property Rights is not intended, and will not be construed, to grant Honeywell the right to use any Supplier owned Background Technology other than the Deliverables themselves and the information contained therein except to the extent such rights or licenses are expressly granted to Honeywell in this Purchase Order. Honeywell has the right to use Deliverables for any purpose and without restrictions of any kind (including, but not limited to reproduction, distribution, display, modification, performance, and preparation of derivative works based on Deliverables as well as to use Deliverables to make, have made, sell, offer to sell, import, use, or otherwise dispose of products and services) and to grant licenses directed to the foregoing.
- I. **Specification:** In the event that Supplier suggests or proposes any modifications to Honeywell's Specification that includes Supplier Background Technology, Supplier grants and agrees to grant to Honeywell an irrevocable, royalty free, paid up, and worldwide license, with the right to sub-license, in such Supplier Background Technology to use, reproduce, disclose to others, modify, and create derivative works based on the Specification (and permit others to do any of the foregoing) and to make, use, sell, offer for sale, have made, import, or otherwise dispose of any products or services.

37. AUDIT

- A. **Records:** Supplier will retain and preserve all records and materials including invoice records, pertaining to the Goods provided under with this Purchase Order for a period of 10 years after the final delivery or termination of this Purchase Order or for the period prescribed by applicable law, whichever period is longer. Supplier will require each of its sub-tier suppliers to do likewise with respect to their records and materials.
- B. At Honeywell's request, Supplier will provide Honeywell's auditors or designated independent credit rating firm with financial statements (including, but not limited to, Balance Sheet, Profit Loss Statement, etc.; quarterly/annual), along with a certificate of an Officer of Supplier responsible for the preparation of such financial statements, attesting to the accuracy and completeness of such financial statements, and certifying that Supplier is in good financial condition and is not in default with respect to any obligations, including, without limitation, to its lenders and suppliers. Honeywell will treat Supplier's financial information as confidential and will share such financial information only with those as needed to assess Supplier's financial status and qualification.
- C. For a period of 10 years from the date of last delivery or for the period prescribed by applicable law, whichever period is longer, Honeywell will have the right in connection with this Purchase Order to conduct on-site and off-site audits (including on-site quality and certification audits). Supplier will provide and will cause each of its sub-tier suppliers to provide, access for Honeywell's auditors to Supplier's and Supplier's sub-tier supplier's books and other pertinent records and any other information as requested by Honeywell's auditors. During the audit if any invoice submitted by Supplier is found to be in error, an appropriate adjustment including the costs of the audit will be made to the invoice or the next succeeding or new invoice following the discovery of the error and the resulting

payment/credit will be issued promptly. Supplier will promptly correct any deficiencies discovered as a result of the audit.

38. ASSIGNMENT AND CONTRACTING

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

39. RELATIONSHIP OF THE PARTIES / INDEPENDENT CONTRACTOR

Nothing in this Purchase Order will be construed to place Supplier and Honeywell in an agency, employment, franchise, joint venture, or partnership relationship. Neither Party has the authority to obligate or bind the other in any manner. Nothing contained in this Purchase Order will give rise or is intended to give rise to rights of any kind to any third parties. Neither Party will make any representation to the contrary. The Parties agree that Supplier will perform its obligations under this Purchase Order as an independent contractor. Supplier will be solely responsible to exercise full control of, supervision over, and responsibility for Supplier's personnel, its subcontractors, or its agents, and any employee of any of the foregoing, including the employment, direction, compensation, and discharge of Supplier's personnel, its subcontractors, or its agents and any employee of any of the foregoing as well as compliance with workers' compensation, unemployment, disability insurance, social security, withholding, and all other laws, rules, codes, regulations and ordinances governing such matters. For any Goods provided under this Purchase Order in jurisdictions with statutory employer protections, Supplier and Honeywell stipulate that Honeywell is deemed to be the statutory employer of Supplier's employees and all employees of any sub-tier contractor retained in any manner by Supplier, who perform services or access Honeywell's property and such status is limited to the period in which the preceding actions occur. Supplier and Honeywell further stipulate that all services performed pursuant to this Purchase Order are an integral part of or essential to Honeywell's production of its goods or delivery of its services.

40. CONTINUITY OF SUPPLY

- A. In the event that Honeywell terminates this Purchase Order for default, or in the event of an excusable delay, or Supplier assigns this Purchase Order without Honeywell's prior written approval then Supplier will, within 10 days following Supplier's receipt of Honeywell's Notice exercising its rights under this article, provide to Honeywell all of Supplier's and Supplier's sub-tier supplier's work in progress, materials, parts, Confidential Information, drawings, plans, manufacturing data, software (in source code and object code form) that is not commercially available off the shelf, tooling, dies, jigs, test equipment, and fixtures, that Supplier and Supplier's sub-tier suppliers specifically produced or acquired for the Goods, Deliverables, or materials, covered by this Purchase Order.
- B. Supplier will assist, including the loan of qualified and experienced employees as required, and cooperate with Honeywell or Honeywell's designee to transfer documentation and install equipment at a location designated by Honeywell in order to permit Honeywell or its designee to manufacture, test, and/or provide the Goods, Deliverables, or materials covered by this Purchase Order. The assistance and cooperation provided by Supplier will be provided at fair and reasonable rates to be negotiated. Such assistance will be available to Honeywell for at least 6 months following Supplier's receipt of Notice from Honeywell of an event described above and for further periods as may be mutually agreed.
- C. Supplier hereby grants to Honeywell, effective upon Honeywell's written Notice to Supplier of an event described above, a non-exclusive, world-wide, and perpetual license to make, use, sell, have made, sublicense, import, offer for sale, display, copy, distribute, make derivative works, and otherwise dispose of and provide Goods (including any alterations, upgrades, or improvements to the Goods), Deliverables, or materials covered by this Purchase

Order. The elements of the license will include all Intellectual Property Rights used by Supplier in the performance of this Purchase Order (including those associated with the documentation, equipment, know-how, and other information contemplated above and necessary for Honeywell or its designee to manufacture, test, support, sell, and/or provide the Goods, Deliverables, or materials covered by this Purchase Order. **“Intellectual Property Rights”** mean all worldwide intellectual property rights, whether arising under statutory or common law or by contract and whether or not perfected, now existing or hereafter filed, issued, or acquired, including (a) patent rights; (b) rights associated with works of authorship including copyrights and mask work rights; (c) rights relating to the protection of trade secrets and confidential information; and (d) any right analogous to those set forth herein and any other proprietary rights relating to intangible property; but specifically excluding service marks, trade dress, and trade names.

- D. If Honeywell exercises its right under this provision due to termination for default or Supplier assigns this Purchase Order without Honeywell's prior written approval then the collective group of materials, information and equipment identified above will be provided to Honeywell at no charge to Honeywell and the license grant will be fully paid up and royalty free.
- E. If Honeywell exercises its right under this provision in the event of an excusable delay then the Parties may negotiate a commercially reasonable cost and/or license fee for Supplier's and Supplier's sub-tier supplier's work in progress, materials, parts, Confidential Information, drawings, plans, manufacturing data, software (in source code and object code form) that is not commercially available off the shelf, tooling, dies, jigs, test equipment, and fixtures, that Supplier and Supplier's sub-tier suppliers specifically produced or acquired for the Goods, Deliverables, or materials, covered by this Purchase Order

41. COMPONENTS; DIRECTED SUPPLIERS

Supplier is responsible for obtaining all raw materials, components, and services required by Supplier to perform under this Purchase Order ("Components"). Honeywell may, in its sole discretion, direct Supplier to purchase Components from Honeywell Affiliates, subsidiaries, business units, or divisions, or third-party suppliers (each a "Directed Supplier"). Where the Components are purchased under a Honeywell negotiated pricing agreement with a third party, the Components are for the sole use of Supplier in the manufacturing process pursuant to this Purchase Order and must not be resold (whether in the form acquired or after incorporation into other goods) to any party other than a Honeywell business unit, subsidiary, or Designee.

Supplier Responsibilities. Honeywell has no liability for any transactions between Supplier and a Directed Supplier and Supplier shall not look to Honeywell for fulfillment of any obligations of a Directed Supplier. Regardless of whether Honeywell directs Supplier to use a specific Directed Supplier, Supplier is solely responsible to ensure that all Components meet required specifications, operate as intended, and are free from all defects in workmanship and materials. Supplier is solely liable if a Component fails to conform to applicable specifications or is otherwise defective.

42. COMPLIANCE WITH LAWS AND INTEGRITY

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

- B. Supplier will indemnify and hold harmless Honeywell from and against any and all loss, cost, expense (including reasonable attorney and professional fees), claims, damage, or liability arising out of or resulting from or occurring in connection with Supplier's breach of this Section.
- C. Supplier must have a management system dedicated to compliance with applicable environmental, health and safety laws and regulations to ensure a safe working environment for their employees and responsible care of materials to prevent a negative impact on the environment (for example: ISO14001:2015/OHAS 18001:2007).
- D. Upon request, in form and substance satisfactory to enable Honeywell to meet its compliance obligations with regard to Regulation (EC) No 1907/2006 ("REACH"), Supplier will provide Honeywell with complete information regarding the chemical composition (substances, preparations, mixtures, alloys, or goods) of any Goods supplied under this Purchase Order, including all safety information required under REACH and information regarding the registration or pre-registration status of any Goods pursuant to REACH promptly but no later than 45 days of receiving such request. Supplier agrees that it will include any Honeywell "Identified Use" in its REACH registrations or applications for Authorization, unless Supplier notifies Honeywell that it rejects the Identified Use in order to protect human health or the environment and specifies the reason for the rejection. In this case Honeywell will have the right to terminate this Purchase Order without incurring any damages.
- E. Absent Honeywell's prior written consent, no Goods will contain any of the (i) substances identified in Article 4.1 of the European Parliament Directive (2011/65/EU collectively, the "RoHS Directives") (as such RoHS Directives are updated from time to time) or similar applicable laws or regulations, restricting the use of hazardous materials in other jurisdictions.
- F. Goods will not include any of the restricted chemicals set forth in the Montreal Protocol on ozone-depleting substances.
- G. Supplier shall comply with its obligations under the Safe Drinking Water and Toxic Enforcement Act of 1986 of the State of California ("Proposition 65"). If the Goods contain any Proposition 65 listed chemicals, the Goods will be delivered with the warning labeling in full compliance with Proposition 65. If such chemicals are within safe harbor levels not requiring warning labeling under Proposition 65, Honeywell may request Supplier to provide certification, test protocol, and test results evidencing that warning labeling is not required.
- H. Supplier will be responsible for all costs and liabilities for or relating to the recycling of Goods pursuant the most current version of European Parliament Directive 2012/19/EU (the "WEEE Directive") as the WEEE Directive is updated from time to time and as any such Directive is implemented in any country.
- I. Supplier will avoid use of materials of concern in the Goods provided to Honeywell, including but not limited to Persistent, Bioaccumulative Toxic (PBT) substances, Persistent Organic Pollutants (POPs) (e.g. PCBs, mercury, certain insecticides-DDT, Chlordane etc.), Carcinogens (known or suspected), Mutagens, Radioactive materials, Reproductive toxins (known or suspected), Beryllium, Hexavalent Chromium, Asbestos or other respirable fibers, Ozone depleting substances, Brominated flame retardants or Nanoparticles. Supplier will pro-actively inform Honeywell of any above listed substances content in any Goods supplied under this Purchase Order. If applicable, Supplier will be responsible for all costs and liabilities for or relating to the disposal and/or recycling of materials, waste and products.

43. US EQUAL EMPLOYMENT OPPORTUNITY REGULATIONS / GOVERNMENT CONTRACTS

- A. To the extent employment activities of Supplier occur in the United States and if otherwise applicable this contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status, or disability.

B. If this Purchase Order (i) is in furtherance of a United States Government contract or subcontract that is subject to the U.S. Federal Acquisition Regulation (FAR) and/or other agency supplements, it incorporates by reference the [Supplemental Provisions Under Fixed Price U.S. Government Contracts for Commercial Items](#), or (ii) is funded or otherwise the subject of a United States Government Grant, it incorporates by reference the [Supplemental Provisions Under U.S. Government Grants](#), both sets of Supplemental Provisions are accessible at <https://www.honeywell.com/en-us/company/integrity-and-compliance>.

44. CONFLICT MINERALS

In accordance with applicable “Conflict Minerals” laws, Honeywell must determine whether its products contain tin, tantalum, tungsten, or gold (“3TG”) originating in the Democratic Republic of the Congo and adjoining countries (“Conflict Minerals”). To the extent Supplier supplies direct materials containing 3TG to Honeywell under this Purchase Order, Supplier commits to have a supply chain process to ensure and document a reasonable inquiry into the country of origin of the 3TG minerals incorporated into products it supplies to Honeywell. If requested, Supplier will promptly provide information or representations that Honeywell reasonably believes are required to meet its Conflict Minerals compliance obligations.

45. UNAUTHORIZED PARTS

A. A “Suspect Part” is a part, including any software or firmware embedded in a part, in which there is an indication by visual inspection, testing, or other information that it may meet the definition of a Fraudulent Part or a Counterfeit Part. A “Fraudulent Part” is any part, including any software or firmware embedded in a part, knowingly misrepresented as meeting required specifications, including without limitation, used electronic parts represented as new, or the false identification of grade, serial number, lot number, date code, or performance characteristics. A “Counterfeit Part” is a part, including any software or firmware embedded in part, that has been represented, identified, or marked as genuine, but has been confirmed to be a copy, imitation, or substitute that was created (a) without legal right to do so, and (b) with intent to mislead, deceive, or defraud. Suspect Parts, Fraudulent Parts, and Counterfeit Parts are referred to collectively as “Unauthorized Parts.”

B. Upon Honeywell discovering that Supplier has delivered to Honeywell a Good that is or contains an Unauthorized Part (“Contaminated Good”), Honeywell may impound such Contaminated Good and provide Notice to Supplier of such action.

C. Supplier will promptly notify Honeywell upon Supplier discovering that Supplier has, or suspects that it may have, delivered to Honeywell a Good that is or contains a Contaminated Good. Supplier will immediately impound Contaminated Goods in its possession.

D. Promptly upon the occurrence of Section C above or Honeywell notifying Supplier that Supplier has or may have delivered to Honeywell a Contaminated Good, Supplier will, at Supplier’s sole cost and expense, replace such Contaminated Good with a Good that meets Honeywell’s specifications and is not a Contaminated Good.

E. Supplier will defend and indemnify Honeywell from all loss, cost, expense, damage, claim, demand, or liability relating to Supplier’s delivery of Contaminated Goods, including without limitation Honeywell’s external and internal costs of removing and replacing Unauthorized Parts or Contaminated Goods, of reinserting replacement parts, and of any testing necessitated by the reinstallation of Supplier’s Goods after Unauthorized Parts have been exchanged.

F. Honeywell may at its election and in addition to any other rights or remedies it may have under this Purchase Order, at law, or in equity, have the Contaminated Goods repaired, replaced, or corrected at Supplier’s expense, or sourced from an alternate source at Supplier’s expense if Supplier does not repair, replace, or correct Contaminated Goods promptly. Supplier is responsible for all related costs, expenses, penalties, and damages, including without limitation: the costs of repairing, replacing, or correcting Contaminated Goods; the costs of removal, disassembly, failure analysis, fault isolation, overhaul, upgrade, reinstallation, re-inspection, and retrofit of the Contaminated Goods or of Honeywell’s affected end-product; all freight charges; all customer charges; labor costs, including engineering costs, travel and lodging; and all corrective action costs (e.g., costs of additional inspection or quality-control systems). Unless set off by Honeywell, Supplier will reimburse Honeywell for all such costs upon receipt of Honeywell’s invoice.

G. Supplier will maintain, and will provide to Honeywell, upon request, documentation that authenticates traceability of the applicable manufacturers utilized by Supplier to obtain or produce all Goods and component parts (including any software or firmware embedded in a Good or component part) under this Purchase Order.

46. IMPORT AND EXPORT COMPLIANCE

- A. **Import:** In the event government authorities declare or otherwise impose countervailing duties, antidumping duties, or retaliatory duties on the Goods imported under this Purchase Order Honeywell reserves the right to terminate this Purchase Order in accordance with the Termination provisions.
- B. **Export:** Supplier will comply with all export laws and regulations of all countries involved in transactions associated with this Purchase Order. If the receiving Party receives hardware, Technical Data, manufacturing drawings, Specification, software or similar type items from the disclosing Party, it is the responsibility of the receiving Party to ensure compliance with all U.S. export laws and regulations, as well as all applicable local export laws and regulations if the receiving Party is located outside the U.S., in the performance under this Purchase Order. These laws include, but are not limited to, (a) Section 38 of the Arms Export Control Act as enumerated in 22 CFR Parts 120-130, the International Traffic in Arms Regulations ("ITAR"), and (b) Export Administration Act of 1979, as amended in 15 CFR Parts 730-774 of the Export Administration Regulations ("EAR"), and all applicable local export laws and regulations if the receiving Party is located outside the U.S. No hardware, Technical Data, manufacturing drawings, Specification, software or similar type items whose export is controlled by the U.S. Department of State or the U.S. Department of Commerce will be transferred, disclosed or exported to "Foreign Persons," as defined in the above stated laws and regulations, without specifically obtaining approvals from the U.S. Department of State's Office of Defense Trade Controls or from the U.S. Department of Commerce's Bureau of Industry and Security, as required. If the receiving Party intends to transfer, disclose or export any the disclosing Party Technical Data, manufacturing drawings, Specification, software or similar type items to any "Foreign Persons", prior written authorization of the disclosing Party must be obtained prior to the receiving Party obtaining U.S. Government licenses or other approvals as stated above. The receiving Party agrees to abide by all limitations and provisos and/or riders and conditions listed on any licenses or other approvals issued by the U.S. Department of State or the U.S. Department of Commerce

47. APPLICABLE LAW AND FORUM

- A. **UNITED STATES:** If Honeywell is a legal entity formed in the United States, then the construction, interpretation, performance, and enforcement hereof, all transactions hereunder, and the Parties' relationship in connection with this Purchase Order or any related claims, whether founded in contract, tort, or otherwise, will be governed by the laws of the State of New York, U.S.A. without regard to or application of its principles or laws regarding conflicts of laws, and excluding the United Nations Convention on Contracts for the International Sale of Goods of 1980 (and any amendments or successors thereto), and the federal or state courts in New York, New York will have exclusive jurisdiction of any dispute. If the parties cannot resolve the dispute after they have completed the Executive Escalation (set forth in subsection below) as provided herein, either Party shall refer the dispute to be finally resolved by arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. With respect to any Action or Proceeding (whether in contract, tort or otherwise) arising out of or relating to this Agreement, or for recognition or enforcement of any related judgment, each Party hereby irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of the Supreme Court of the State of New York sitting in the Borough of Manhattan and of the United States District Court for the Southern District of New York, and any appellate court from any thereof. Each Party hereby agrees that a final judgment in any Proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law. Nothing in this Agreement shall affect any right that a Party may otherwise have to bring any Proceeding against any other Party in the courts of any other jurisdiction.
- B. **ASIA PACIFIC:** If Honeywell is a legal entity formed in an Asia Pacific country, then the construction, interpretation, and performance of all transactions under this Purchase Order will be governed by the laws of the country under which the Honeywell entity is formed, excluding the UN Convention on Contracts for the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute arising out of or relating to this Purchase Order, including the breach, termination, or validity, will be finally resolved in accordance with the rules of arbitration as noted below depending on in which country Honeywell entity is formed. Judgment upon the award rendered by the

arbitrators may be entered by any court having jurisdiction. The place of arbitration and the language of arbitration will be selected by Honeywell.

1. China- in accordance with the arbitration rules of the China International Economic and Trade Arbitration Commission;
2. Singapore, Indonesia, Vietnam, Australia, New Zealand or any other APAC country not specifically stated here - in accordance with the arbitration rules of the Singapore International Arbitration Center
3. Korea - in accordance with the arbitration rules of the Korean Commercial Arbitration Board;
4. Hong Kong - in accordance with the arbitration rules of the Hong Kong International Arbitration Center;
5. Malaysia - in accordance with the arbitration rules of the Asian International Arbitration Centre;
6. Taiwan - in accordance with the arbitration rules of the local Arbitration Act;
7. Japan – in accordance with the arbitration rules of The Japan Commercial Arbitration Association.

C. **INDIA:** If both Parties are legal entities formed in India, then the construction, interpretation, performance, and enforcement hereof, all transactions hereunder, and the Parties' relationship in connection therewith or any related claims, whether founded in contract, tort, or otherwise, will be governed by the laws of India without regard to or application of its principles or laws regarding conflicts of laws, and excluding the United Nations Convention on Contracts for the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute arising out of or relating to this Purchase Order, including the breach, termination, or validity thereof, will be finally resolved by a sole arbitrator selected by the Parties, in accordance with the Arbitration and Conciliation Act, 1996, which rules are deemed incorporated by reference into this clause and this Purchase Order. If after 60 days the Parties cannot agree on a sole arbitrator, then each Party will select one arbitrator, and the two arbitrators will select a third. The arbitration will be conducted in English, and any non-English documents submitted by a Party must be accompanied by an accurate English translation. The arbitrator(s) will allow appropriate discovery and resolve the dispute as expeditiously as possible, and if reasonably practicable, within 120 days. Judgment upon the arbitration award will be final and binding, and may be entered by any court having jurisdiction thereof. The place of arbitration will be Bangalore, India.

D. **TURKEY:** If both Parties are legal entities formed in Turkey, then the construction, interpretation, performance, and enforcement hereof, all transactions hereunder, and the Parties' relationship in connection therewith or any related claims whether founded in contract, tort, or otherwise, will be governed by the laws of Turkey without regard to or application of its principles or laws regarding conflicts of laws, and excluding the United Nations Convention on Contracts for the International Sale of Goods of 1980 (and any amendments or successors thereto). Although the proceedings may be conducted in Turkish, any non-English documents submitted by a Party must be accompanied by an accurate English translation.

E. **EMEA, India and EMEA countries not listed above:** If Honeywell is a legal entity formed in a European, Middle Eastern, and African country or formed in an EMEA country not identified above, then the construction, interpretation, performance, and enforcement hereof, all transactions hereunder, and the Parties' relationship in connection therewith or any related claims whether founded in contract, tort, or otherwise, will be governed by the laws of England without regard to or application of its principles or laws regarding conflicts of laws, and excluding the United Nations Convention on Contracts for the International Sale of Goods of 1980 (and any amendments or successors thereto). Any dispute arising out of or relating to this Purchase Order, including the breach, termination or validity thereof, will be finally resolved by a panel of three arbitrators in accordance with the Rules for Arbitration of the International Chamber of Commerce. Judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of arbitration will be London, England.

F. **CANADA; MEXICO, CENTRAL AND SOUTH AMERICA.** If Honeywell is a legal entity formed in Canada, Mexico, Central America, or any South American country, then the construction, interpretation, performance, and enforcement hereof, all transactions hereunder, and the Parties' relationship in connection therewith or any related claims whether founded in contract, tort, or otherwise, will be governed by the laws of the country in which the

Honeywell legal entity is organized without regard to or application of its principles or laws regarding conflicts of laws, and excluding the United Nations Convention on Contracts for the International Sale of Goods of 1980 (and any amendments or successors thereto).

- G. **Additional rules applicable to Arbitration:** Any award will be payable in the currency of this Purchase Order. Either Party may apply to the arbitrators seeking injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either Party also may, without waiving any remedy under this Purchase Order, seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that Party, pending the arbitrators' determination of the merits of the controversy. The language of the arbitration will be English.
- H. **Executive Escalation:** Before the Parties initiate any legal action, other than injunctive relief, the Parties will schedule a mandatory executive conference to be held within 15 days of receipt of the other Party's written request. The conference will be attended by at least 1 executive from each Party. At the conference, each Party will present its view of the dispute and the executives will enter into good faith negotiations in an attempt to resolve the dispute. If the dispute is not resolved then either Party may pursue resolution of the dispute consistent with the other terms of this Purchase Order, or available at law or in equity.

48. REMEDIES

Supplier is liable for all work, costs and expenses Honeywell incurs or sustains by providing resources to assist Supplier in meeting its performance obligations. All Honeywell rights and remedies set forth in this Purchase Order are in addition to, and will in no way limit, any other rights and remedies that may be available under this Purchase Order, by law or in equity.

49. NOTICES

Notices relating to this Purchase Order must be in writing and may be delivered personally, by recognized overnight courier, or by certified first class mail, postage prepaid (each to the respective address appearing on the face of this Purchase Order). A Notice will be deemed given on the date delivered if delivered personally; 3 business days after being placed in the mail as specified above, or in the custody of an overnight courier as specified above.

50. PUBLICITY

Supplier will not use Honeywell's name or marks or refer to or identify Honeywell in any advertising or publicity releases or promotional or marketing materials without Honeywell's prior written approval. Furthermore, Supplier will not claim or suggest, implicitly or explicitly, that Honeywell's use of its Goods constitutes Honeywell's endorsement of its Goods.

51. NON-EXCLUSIVITY / NO COMMITMENT

Nothing in this Purchase Order will restrict Honeywell's right to contract with any third party to provide or perform, or to provide or perform on its own behalf, products or services similar or identical to the Goods provided by Supplier pursuant to this Purchase Order. Furthermore, there is no requirement that any minimum level of business or fees be provided to Supplier by Honeywell.

52. HEADINGS AND CAPTIONS

Headings and captions are for convenience of reference only and do not alter the meaning or interpretation of any provision of this Purchase Order.

53. WAIVER

The failure or delay of either Party to enforce at any time any of the provisions of this Purchase Order will not be construed to be a continuing waiver of those provisions, nor will any failure or delay prejudice the right of the Party to take any action in the future to enforce any provision. No waiver from Honeywell will be effective unless set forth expressly in writing and manually signed by Honeywell.

54. SEVERABILITY

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

55. SUPPLY CHAIN SECURITY

Supplier will use commercially reasonable efforts to maintain certification under the Business Partner Criteria of any Supply Chain Security Program that the country of import for the Goods may adopt such as the U.S. Customs-Trade Partnership Against Terrorism (C-TPAT) or other World Customs Organization (WCO) sanctioned supply chain security program. Supplier will (i) advise Honeywell of the specific Supply Chain Security Program and (ii) authorize certification monitoring by Honeywell. If Supplier is not certified by a WCO-sanctioned program, then Supplier will: a) adhere to the security criteria for Supplier's applicable C-TPAT category (e.g., Importer, Foreign Manufacturer, etc.) and; b) upon Honeywell's request, complete an annual survey attesting to its compliance with a WCO-sanctioned program. For reference:

- A. C-TPAT security criteria requirements are located at <http://www.cbp.gov/border-security/ports-entry/cargo-security/c-tpat-customs-trade-partnership-against-terrorism/apply/security-criteria>
- B. AEO requirements are located at https://ec.europa.eu/taxation_customs/general-information-customs/customs-security/authorised-economic-operator-aeo_en
- C. PIP requirements are located at <http://www.cbsa-asfc.gc.ca/security-securite/pip-pep/menu-eng.html>
- D. For other WCO programs that are country-specific, please contact your local import compliance contact or customs official.

56. SURVIVAL

All provisions of this Purchase Order which by their nature should apply beyond its term will remain in force after any termination or expiration of this Purchase Order including, but not limited to, those addressing the following subjects: Import/Customs Compliance; Drawback; Offset; Honeywell-Supplied Materials, Tooling, Equipment and Technical Data; Price; Price: Most Favored Customer and Meet or Release; Invoicing and Payment; Set Off; Warranty; Cessation of Production; General Indemnification; Intellectual Property Indemnification; Insurance; Limitation of Liability; Lien Waivers; Confidentiality/Data Privacy and Intellectual Property; Taxes and Duties; Audit; Relationship Between the Parties/Independent Contractor; Applicable Law and Forum; Dispute Resolution; Remedies; Publicity; Waiver; and Survival.

EXHIBIT A

Pricing Sheet

**Products, Minimum Stocking Level, Pricing, Lead-times
and Specifications**

Honeywell Part No.	Supplier Part No.	Description	Lead Time	Unit Size	Price

Specifications. The specifications for the Products are those delivered or made available to Supplier by Honeywell, and as updated from time to time by Honeywell.

Prices. Prices include all applicable taxes, freight, packaging, insurance and all other charges or duties;

Lead Times. The time period between Honeywell notification to Supplier of Product requirements and the date Product is available for shipment will not exceed the lead-times set forth above.