



## **MASTER SERVICES PROCUREMENT AGREEMENT**

**THIS MASTER SERVICES PROCUREMENT AGREEMENT** (the “Agreement”) is made April 1, 2020 by and between **New York State Electric & Gas Corporation**, a New York corporation, with offices located at 89 East Avenue, Rochester, New York 14649 (hereinafter, “Customer”) and [REDACTED] (hereinafter, “Supplier” or “Vendor” or “Contractor”). Customer and Supplier may be referred to individually as a “Party” and collectively as the “Parties.”

Customer is authorized to assist the utility operating Customer identified in ***Schedule A***, attached hereto and made part hereof, in procuring certain services that they may require from time to time in the operations of their respective businesses, including the services described in ***Schedule B***, attached hereto and made part hereof (the “Services”); and

The Supplier states that it is an established and well-known provider of the Services possessing the skills, qualifications, and experience necessary to perform and manage such Services in an efficient, cost-effective, and controlled manner, with a high degree of quality and responsiveness, and that it has successfully performed similar services for other customers and is willing to provide the Services to the utility operating company subsidiaries of Customer in accordance with the terms and conditions of this Agreement; and

In reliance upon such statements and following its review of Supplier’s proposal and negotiation of business terms, Customer has selected the Supplier as a vendor-of-choice for the Services, which shall be procured and awarded in accordance with this Agreement.

**NOW THEREFORE**, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the Supplier and Customer hereby agree as follows:

### **1. DEFINITIONS**

As used in this Agreement:

- (a) “Affiliate” shall mean, with respect to a Party, any other entity Controlling, Controlled by, or under common Control with such Party. The term “Control” and its derivatives shall mean with regard to any entity, the legal, beneficial, or equitable ownership, directly or indirectly, of fifty percent (50%) or more of the capital stock (or other ownership interest, if not a corporation) of such entity ordinarily having voting rights.
- (b) “Company” shall mean the Company specified in ***Schedule A***, attached hereto and made part hereof.

- (c) “RFP” shall mean a request for proposal for the Services which shall include a reasonably detailed description of the Services required by the Company(ies).
- (d) “Services” shall mean the services described in ***Schedule B***, attached hereto and made part hereof.
- (e) “Terms and Conditions” shall mean the terms and conditions governing the performance of the Services and related matters pursuant to a Purchase Order, the form of which is set forth in ***Schedule C***, attached hereto and made part hereof.
- (f) “Purchase Order” shall mean a purchase order issued by Company or a Company in accordance with this Master Agreement.
- (g) The “Effective Date” shall mean the date of Execution of this Master Agreement.
- (h) “Term” shall mean the term of this Master Agreement, as extended or terminated early in accordance with this Master Agreement.
- (i) “Small Business Concern” as defined by the Small Business Administration, shall mean a business that is independently owned and operated and which is not dominant in its field of operation. The law also states that in determining what constitutes as small business, the definition will vary from industry to industry to reflect differences accurately.

## **2. PROCESS FOR AWARDING SERVICES**

**2.1** Customer agrees that, upon a request made to Customer by a Company for assistance in procuring Services, Customer shall, on its own or with the assistance of the Company(ies) requiring the Services, take either of the steps delineated in subsections (a) or (b) toward procuring Services from the Supplier:

(a) Issuance of Purchase Order. Customer or the Company(ies) requesting the Services shall issue to the Supplier duplicate originals of a Purchase Order for the Services incorporating: (i) a scope of work consistent with the standards set forth in ***Schedule B***, (ii) the Terms and Conditions set forth in ***Schedule C***, and (iii) and the pricing terms set forth in ***Schedule D***. Upon receipt of an authorized Purchase Order, Supplier shall commence performance of the Services in accordance with the terms therein.

OR

(b) Issuance of an RFP. (i) Customer or the Company(ies) requesting the Services shall issue an RFP to the Supplier. Within the time period specified in the RFP, Supplier shall issue a written proposal to Customer, or if so directed, to the Company specified in the RFP, setting forth: (1) a detailed description of the Services to be provided by the Supplier, consistent with the scope and other requirements specified in the RFP, and (2) Supplier’s fees and charges for

completing the Services, which Supplier warrants will be calculated in accordance with the pricing terms set forth in ***Schedule D***, attached hereto and made part hereof.

(ii) Within the time period specified in the RFP, Customer and\or the Company(ies) shall review the Supplier's proposal. If Customer and the Company(ies) requiring the Services, in their sole and absolute discretion, determine that they wish to award a contract for Services and thereupon select the Supplier's proposal, the Customer shall forward duplicate original Purchase Orders for the Services (conforming with the requirements of Section 2.1(a), above, but also incorporating the Supplier's proposal) to the Supplier at the address specified in Section 6.1, below. Upon receipt of an authorized Purchase Order, Supplier shall commence performance of the Services in accordance with the terms therein.

**2.2** (a) Notwithstanding anything to the contrary in this Agreement or in any Purchase Order or RFP issued hereunder, Customer makes no representation or warranty that Customer or any Company(ies) will issue any Purchase Orders or RFP's, or any minimum dollar volume of Purchase Orders or RFP's, during the Term of this Master Agreement. Customer or the Company(ies) requesting Services may terminate a Purchase Order or RFP for such Services at any time, without penalty or other obligation, prior to commencement of performance of the Services by Supplier in accordance with the terms therein.

(b) Supplier acknowledges and agrees that the issuance of an RFP, Purchase Order, or other document pursuant to this Article 2 by Customer, or any Company, shall not constitute an offer by Customer, or any Company, to purchase Services, and that an enforceable agreement for Services shall result only when an authorized Purchase Order for such Services, processed in accordance with this Article 2, is issued to Supplier by Customer, or a Company, and accepted by the Supplier.

(c) Supplier further acknowledges that each Purchase Order processed in accordance with this Article 2 and issued to Supplier by Customer, or a Company, and accepted constitutes a separate and distinct contract for the particular Services set forth in the Purchase Order and shall be governed by the following documentation:

- (i) The Purchase Order (exclusive of its pre-printed terms and conditions);
- (ii) The Terms and Conditions attached hereto as Schedule C, as they may be amended or modified for the particular Purchase Order;
- (iii) The Scope of Services document attached hereto as ***Schedule B***, as it may be amended, modified or supplemented for the particular Purchase Order; and
- (iv) This Agreement, including all Schedules other than those described in subsections (i), (ii), and (iii) above.

In the event of any inconsistency among the aforementioned documentation, the order of precedence shall be as set forth in subsections (i), (ii), (iii), and (iv), above.

### **3. PRICING; PAYMENT; DISCOUNTS AND REFUNDS**

**3.1** (a) Supplier agrees that pricing, fees, pass-throughs, and other charges set forth in ***Schedule D*** will be incorporated into and used as the basis for all pricing, fees, pass-throughs, and other charges in: (i) any proposal issued by Supplier hereunder, and\or (ii) any Purchase Orders pursuant to this Master Agreement.

(b) Supplier agrees that the pricing terms set forth in ***Schedule D*** shall be fixed for the time period specified in such Schedule and shall not be subject to increase except as expressly specified in such Schedule.

**3.2** (a) Supplier agrees that, in calculating any discounts or adjustments to prices, fees, pass-throughs, and charges set forth in ***Schedule D*** that are based upon volumes or quantities of Services awarded to Supplier, Supplier shall include in such calculation the volumes or quantities of Services for all Purchase Orders issued by Customer or any Company(ies) during the relevant time period.

(b) Within thirty (30)-days following each anniversary of the Effective Date of this Master Agreement, Supplier shall forward to Customer a draft reconciliation statement showing Supplier's calculation of any rebates or refunds payable as a result of the total value of all Purchase Orders for Services executed by the Company(ies) with the Supplier during the preceding calendar year. Customer shall review the reconciliation statement and will notify Supplier of any comments they may have with respect thereto within thirty (30)-days of their receipt thereof. Supplier shall pay to Customer the undisputed portion of any rebates or refunds due the Company(ies) under executed Purchase Orders for Services within five (5) business days following the earlier of: (i) Supplier's receipt of the comments of Customer and Company(ies), and (ii) the thirty (30) day period referenced in the immediately preceding sentence.

### **4. NO GUARANTY; HOLD HARMLESS**

Supplier acknowledges and agrees that, notwithstanding anything to the contrary contained in this Master Agreement, any subsequently issued RFP, or in any Purchase Order between Supplier and any Company(ies), that with respect to any Purchase Order for Services issued by any Company(ies) pursuant to this Agreement:

(a) All charges, fees, and expenses, as well as any credits, refunds, or rebates, resulting from Services rendered by Supplier pursuant to such Purchase Order shall be solely for the account of such Company(ies), and neither Customer nor any other Company(ies) shall be considered a guarantor or surety of any charges, fees, and expenses arising under such Purchase Order;

- (b) All communications, notices, invoices, and reports resulting from Services rendered by Supplier pursuant to such Purchase Order shall be directed to the representative(s) of the Company(ies) identified in such Purchase Order;
- (c) Supplier covenants not to sue Customer or any other Company(ies), other than the Company issuing the applicable Purchase Order, for any charges, fees, expenses, or claims arising from or attributable to Services rendered by Supplier pursuant to such Purchase Order; and
- (d) Supplier shall hold Customer and the other Company(ies) and their respective employees, agents, officers, shareholders, and directors harmless from and against any and all damages or liabilities arising from or attributable to, directly or indirectly, the performance, non-performance, or other acts of the Supplier and its employees, agents, or representatives pursuant to such Purchase Order; provided, however, nothing set forth herein shall require Supplier to indemnify Customer or any Company for its own negligence or willful misconduct.

## 5. TERM

**5.1** This Master Agreement shall remain in effect until terminated according to section 5.2 below.

**5.2** (a) Customer may terminate this Master Agreement at any time and for any or no reason upon thirty (30) days' prior written notice. Upon the effective date of termination specified in Customer's termination notice: (i) all RFP's, proposals, and Purchase Order for which Supplier has not begun to deliver the Services shall be deemed canceled, unless otherwise agreed in writing by the Company(ies) requesting or issuing such RFP's, proposals, and/or Purchase Orders, and (ii) this Master Agreement shall be terminated without liability or obligation to the Parties, except for any liabilities and obligations arising under any Purchase Orders for which Supplier has already begun to provide Services. Customer shall have no liability for any costs, expenses, or other fees incurred by Supplier in connection with any RFP's, proposals, or Purchase Orders that are in process but for which provision of Services has not begun upon the effective date of termination of this Master Agreement by Customer.

(b) Termination of this Master Agreement by Customer shall not effect, or result in, termination of any Purchase Orders issued by Customer or a Company and for which Supplier has begun to deliver Services prior to the effective date of termination set forth in Customer's termination notice; provided, however, that this subsection (b) shall not constitute a waiver or relinquishment of any right of termination of any Customer pursuant to the terms and conditions of such Purchase Orders.

## 6. GENERAL

**6.1** Notices. All notices, requests, demands, and determinations under this Master Agreement shall be in writing and shall be deemed duly given: (i) when delivered by hand, (ii) one (1) day after being given to an express courier with a reliable system for tracking delivery designating overnight delivery, (iii) when sent by confirmed facsimile with a copy sent by another

means specified in this Section 6.1, or (iv) six (6) days after the day of mailing, when mailed by United States mail, registered or certified mail, return receipt requested, postage prepaid, and addressed to Party at the address(es) specified in ***Schedule F***. A Party may from time to time change its address or designee for notification purposes by giving the other prior written notice of the new address or designee and the date upon which it will become effective.

**6.2** Governing Law. This Master Agreement and performance under it shall be governed by and construed in accordance with the laws of State of New York; as such laws are applied to contracts between residents that are entered into and to be performed entirely within New York.

**6.3** Binding Nature and Assignment. This Master Agreement shall be binding on the Parties hereto and their respective successors and assigns. Neither Party may, or shall have the power to, assign this Agreement without the prior written consent of the other, except that Customer may assign this Master Agreement and its rights and obligations hereunder to an Affiliate without the approval of the Supplier, but on prior written notice.

**6.4** Entire Agreement: Amendment. This Master Agreement, including any Schedules referred to herein and attached hereto, each of which is incorporated herein for all purposes, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral, with respect to the subject matter contained in this Master Agreement. No change, waiver, or discharge hereof shall be valid unless in writing and signed by an authorized representative of the Party against which such change, waiver, or discharge is sought to be enforced.

**6.5** Counterparts. This Master Agreement may be executed in several counterparts, all of which taken together shall constitute one single Agreement between the parties hereto.

**6.6** Headings. The article and section headings and the table of contents used herein are for reference and convenience only and shall not enter into the interpretation hereof.

**6.7** Relationship of Parties. Supplier is not an agent of Customer and has no authority to represent the Customer as to any matters, except as expressly authorized in this Master Agreement.

**IN WITNESS WHEREOF**, Customer and Supplier have each caused this Agreement to be signed and delivered by its duly authorized representative as of the date first given above.

[Signature page follows]

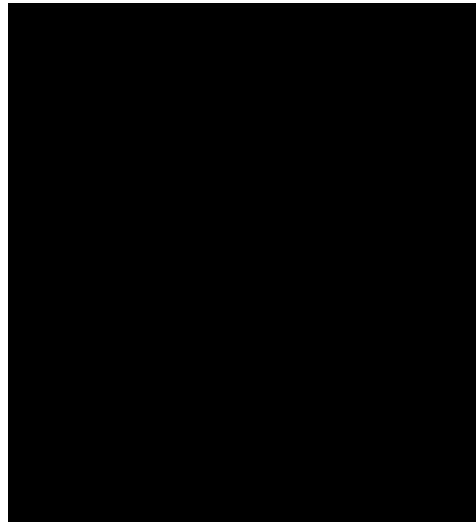
**New York State Electric & Gas Corporation**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



**New York State Electric & Gas Corporation**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

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Title

\_\_\_\_\_  
Date

**SCHEDULES:**

- Schedule A: Companies
- Schedule B: Services
- Schedule C: Terms and Conditions
- Schedule D: Pricing Terms
- Schedule E: Special Conditions
- Schedule F: Notices
- Schedule G: T&M Crew Headquarters Listing
- Schedule H: Insurance Requirements
- Schedule I: Data Security Rider
- Schedule J: Back Ground Check Rule

**SCHEDULE A**

**Companies**

**New York State Electric & Gas Corporation**  
89 East Avenue  
Rochester, New York 14649

## **SCHEDULE B**

### **Services, Warranty, Deliverables, and Vendor Requirements**

The Supplier is to perform Distribution vegetation management services to the Company.

The Supplier will establish a work force capable of completing the annual maintenance plan, capital work, hot spot work and be available for emergency restoration work in all Service Centers covered in this Agreement.

#### **Distribution Specifications**

All distribution vegetation management work to comply with 2020-2022 NY Distribution Specifications

#### **Bases of Operations**

Crews may be transferred from one base to another with forty-eight (48) hours notice. Bases of Operations are defined per Schedule G.

#### **Emergency and Storm**

During the times of storm and other emergencies, the Supplier agrees to furnish additional supervision, labor, materials, tools, equipment, and transportation to perform emergency line clearance work when requested by the Company. All Supplier vehicles will have appropriate portable and emergency lighting in order to perform work safely during non-daylight hours, and equipment such as tire chains for travel in snow. All supplier vehicles will be equipped with driver input / readable GPS units. Supplier will require Company approval before tree crews are released to another utility for restoration work. The Company reserves the right to utilize other contractors to provide storm and/or emergency support. Lodging and meals will need to be coordinated with Company representative to ensure no duplicate billing is charged.

#### **Equipment and Vehicle Maintenance**

The Supplier is responsible for all maintenance on its equipment and vehicles.

**SCHEDULE C****Terms and Conditions****TABLE OF CONTENTS**

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## **ARTICLE 1 – CONTRACT DOCUMENTATION AND DESCRIPTION OF SERVICES**

Pursuant to that certain Master Services Procurement Agreement (the “Agreement”) between **New York State Electric & Gas Corporation** (“Customer”) and [REDACTED] (“Supplier”), in the given Purchase Order (the “Purchase Order”), engages the Supplier, and the Supplier hereby agrees to perform the Services.

The Services shall be as described in ***Schedule B*** of the Agreement; as such Schedule may be amended, modified or supplemented and attached hereto for the purposes of the Purchase Order.

The provision of the Services shall be governed by the following documentation:

- (i) The Purchase Order (exclusive of its pre-printed terms and conditions on the back thereof);
- (ii) These Terms and Conditions;
- (iii) The Scope of Services document attached to the Agreement as Schedule B, as it may be amended, modified or supplemented for the Purchase Order; and
- (iv) The Agreement, including all Schedules other than those described in subsections (i), (ii), and (iii) above.

In the event of any inconsistency among the aforementioned documentation, the order of precedence shall be as set forth in subsections (i), (ii), (iii), and (iv), above.

All work shall be invoiced in accordance with the Pricing Schedule included in ***Schedule D***, attached hereto and made a part hereof (unless otherwise agreed to in writing by the Customer).

Supplier further agrees to do the following:

- A. Supplier, through its experience and the normal course of business, has included full provision for local wage rates, travel and subsistence rates, allowances and conditions, if any, as well as allowances for any other measures necessary to complete the work in a satisfactory manner in accordance with this Agreement.
- B. Supplier has read, understands and shall comply with ***Schedule E***, hereby referred to as “Special Conditions”, attached hereto and made a part hereof.
- C. Upon execution (for purposes hereof execution means when Supplier has begun to provide Services pursuant to the Purchase Order) of a Purchase Order:
  - 1) Supplier has examined all available records pertaining to the work.
  - 2) Supplier further states that the Agreement Price and detailed schedule for completion of the work are based on Supplier’s known knowledge and judgment of the conditions and hazards involved, and not upon a representation of the Customer. The Customer assumes no responsibility for any understandings or representation made by any of their representatives during or prior to execution of this Agreement unless such understandings or representations are expressly stated in this

Agreement and the Agreement expressly provides that the responsibility is assumed by the Customer.

## **ARTICLE 2 - CONTRACT PRICE**

The total price for the Services (made up of the costs, fees and expenses arising under Article 3 below) shall be set forth in the Purchase Order and shall be considered fixed unless stated otherwise (time and equipment, for example) on the face of the Purchase Order.

## **ARTICLE 3 - REIMBURSABLE ITEMS**

The Supplier shall be reimbursed for the following items for Services performed under this Agreement:

### **A. Fees**

Supplier shall be paid at the rates per hour specified in ***Schedule D*** to the Agreement for time spent in the actual performance of Services hereunder, including the preparation of reports, UNLESS a predetermined firm lump sum price has been agreed upon by both parties for all or part of the work, the criteria of which would take precedence as referenced therein. Time spent in Normal Commuting is not a billable expense. The term "Normal Commuting" means Supplier's first trip to any Work Location in a given day and Supplier's last trip from any Work Location in a given day. The term "Work Location" shall mean any location at which Services are or are to be performed by the Supplier. The term "Supplier's Base" shall mean the location or respective locations (which shall be disclosed to Customer in advance) from which Supplier will normally travel to Work Locations to perform Services. The Supplier agrees whenever possible, to coordinate travel arrangements that will maximize time spent in performing Services for the Customer.

(i) Customer will not reimburse Supplier for additional expenses invoiced separately under a fixed bid project. The Supplier must include all the expected expenses from the quoted project within the fixed bid proposal.

(ii) Customer reserves the right to renegotiate or reject expenses when the Supplier's local office personnel are not utilized for the awarded project but meet the required job classification/criteria to complete the project and Supplier utilizes resources from other Supplier's offices.

## **B. Travel Expenses**

(i) Customer will pay or reimburse Supplier for actual cost of travel expenses incurred during the course of travel undertaken at Customer's request for the performance of Services, including travel from Work Location to Work Location, not including Normal Commuting, as follows:

(ii) The Supplier will be reimbursed the automobile mileage at the then current IRS allowed rate. For mileage incurred in actual and necessary travel by private automobile for mileage to the Work Location, plus the actual cost of all parking, highway, and/or bridge charges paid enroute.

(iii) The Supplier will be paid or reimbursed for travel by commercial airlines in coach class and at discounted fares, if possible, except when such coach and/ or discounted airline accommodations are not reasonably available to meet necessary work requirements or would

- a) require circuitous routing;
- b) require travel during unreasonable hours;
- c) greatly increase the duration of the flight;
- d) result in additional costs which would offset the transportation savings; or
- e) offer accommodations which are not reasonably adequate for the medical needs of the traveler.

(iv) Customer will pay or reimburse Supplier for such reasonable additional airline travel expenses as are necessary to avoid or overcome the problems cited in the foregoing sentence.

(v) Customer will pay or reimburse Supplier for the actual cost of necessary local transportation (cab, bus, streetcar, rental car, etc.). The Supplier agrees to furnish documentation, if requested, for any such charges in excess of \$25.00 with its invoices therefore under this Agreement.

(vi) Customer will pay or reimburse Supplier for the actual cost of reasonable meals and hotel accommodations unless a predetermined per diem has been agreed to and is listed in Schedule D to the Agreement.

(vii) Customer will not reimburse Supplier's meal expenses for travel when an individual leaves their home base and returns to their respective home base within the same day.

## **ARTICLE 4 - PAYMENTS**

**A.** Payments of any undisputed portions of an invoice will be made on the 60<sup>th</sup> day after the receipt by Customer of a properly completed invoice, supported by original receipts, and detailing the travel expenses. Any undisputed balance not paid within this time period will incur a past due charge of 1% (one percent) per month or fraction thereof.

**B.** An original and copy of each invoice are to be mailed to the “Bill to Location” provided in the Purchase Order.

Each invoice shall show the Purchase Order Number, Supplier work location, payment terms and the job name and other information, which may be required or reasonably requested by Customer.

The following documentation must accompany each invoice:

(i) Summary statements listing employee name, job classification, hours charged and hourly billing rates (both straight time and overtime if applicable) and total charges for the invoice period.

(ii) Copy of invoices for material, services, rentals, contracts, and other items purchased or rented in connection with the Services.

(iii) Copies of expense account summary sheets for each individual performing Services will be provided. The summary sheet will summarize lodging, meals, transportation and any other expenses. The period of time will also be shown. Supplier shall retain copies of supporting documents for such expense accounts, and these will be made available for Customer review upon written request by Customer. Supplier shall preserve all pertinent records supporting payment for Services hereunder for a period of two (2) years after final payment for the Services.

## **ARTICLE 5 – TAXES**

The price does not include sales/use taxes.

Supplier shall be responsible for payment of and assumes exclusive liability for any and all contributions or taxes imposed by or required under the laws of the State of New York or any other state or Federal law, or the Federal Social Security Act or any other act, now or hereafter in effect, upon or in respect to, wages, salaries, benefits or other compensation paid to employees engaged upon or in connection with the Services.

Customer shall withhold from any payments due Supplier hereunder any amounts that Customer is required to withhold pursuant to any Federal or State tax laws.

## **ARTICLE 6 – CHANGES**

No changes in the Scope of Services attached to the Agreement as Schedule B are authorized unless made by Customer and sustained by written Supplement that is countersigned and approved by the Supplier. Changes made by Supplier, unless authorized by an executed Supplement, shall be made at the sole risk of Supplier, there being no financial recourse against Customer. A Supplement is a written Purchase Order Supplement, signed by the Customer and issued after the execution of this Agreement, authorizing an addition, deletion, or revision in the Services or an adjustment in the Contract Price or the Schedule; provided, however, that if there

is any change to the Scope of Services attached to the Agreement as Schedule B, then such Supplement must be countersigned and approved by Supplier.

No changes in the Agreement will be made without an Agreement Supplement. Unless otherwise agreed, all Supplements shall be governed by the conditions of this Agreement.

### **ARTICLE 7 - CLAIMS/DISPUTES**

- A. Any claims by Supplier relating to this Agreement, must be submitted in writing within thirty (30) calendar days of initial occurrence of the basis for the claim. Failure to provide such notification shall be deemed waiver of such claim.
- B. Any dispute or claims by the Supplier shall not affect the diligent prosecution by Supplier of the Services.

### **ARTICLE 8 – AUDIT**

Supplier shall check all material and labor entering into the Services and shall keep full and detailed accounts as may be necessary to provide proper financial management under this Agreement. At all reasonable times, the Customer shall have access to the Supplier's offices, work and records pertinent to all charges, for inspection, audit and review. Supplier shall permit such examination and make appropriate adjustments as may be required by the results of the audit. This provision shall remain in effect for two (2) years following final payment under this Agreement.

### **ARTICLE 9 - RIGHTS, PRIVILEGES, REMEDIES**

All rights, privileges and remedies afforded each of the parties hereto by this Agreement shall be deemed cumulative and the exercise of any one or more of such rights or remedies shall not be deemed a waiver of any other right, privilege or remedy provided for herein or available at law or in equity.

### **ARTICLE 10 - NON WAIVER OF RIGHTS**

Any failure by a Party to enforce or require the strict performance of the terms or conditions of this Agreement shall not constitute a waiver of such terms or conditions and shall not affect or impair such terms or conditions in any way.

### **ARTICLE 11 - SET-OFF**

In the event Supplier owes money to the Customer or has defaulted under this Agreement or under any other agreements with the Customer, or Supplier has failed to pay any amount owed to the Customer whether pursuant to an agreement, a statutory or regulatory fine, the imposition of statutory or regulatory damages, or otherwise (collectively, the "Obligations"), the Customer may, at its option, setoff and/or net any or all such Obligations against any amounts owed by the Customer to the Supplier.

## **ARTICLE 12 - CONFLICTING DOCUMENTS**

To the extent, if any, that the specifications, drawings or other documents that may be referenced herein conflict with the provisions of this Agreement, this Agreement shall take precedence and govern.

## **ARTICLE 13 - INDEPENDENT SUPPLIER**

Supplier is and shall always remain an independent contractor in its performance of this Agreement. With the exception of staff augmentation engineering services required by Customer, where Supplier's personnel work out of Customer's offices under Customer's direction, the provisions of this Agreement shall not be construed as authorizing or reserving to Customer any right to exercise any control or direction over the operations, activities, employees or agents of Supplier in connection with this Agreement. Neither party to this Agreement shall have any authority to employ any person as agent or employee for or on behalf of the other party to this Agreement for any purpose, and neither party to this Agreement, nor any person performing any duties or engaging in any work at the request of such party, shall be deemed to be an employee or agent of the other party to this Agreement.

Customer shall carry no worker's compensation insurance, health insurance or accident insurance to cover the Supplier, or any of its agents, employees or subcontractors. Customer shall not pay any contributions to Social Security, unemployment insurance, federal or state withholding taxes, or provide any other contributions or benefits which might be expected in an employer/employee relationship. The Supplier agrees to report and pay any contributions for taxes, unemployment insurance, Social Security and any other required payments himself or herself.

## **ARTICLE 14 – SUBCONTRACTS**

If Supplier shall cause any part of the work to be performed by a sub-contractor, the provisions of this Agreement shall apply to such sub-contractor and its officers, agents or employees in all aspects as if they were employees of Supplier, and Supplier shall not thereby be discharged from any of its obligations and liability hereunder, but shall be liable hereunder for all acts and omissions of the sub-contractors. Nothing shall create any contractual relationship between Customer and any subcontractor or any sub-subcontractor.

The Supplier shall submit a list of those work items which it plans to subcontract and the names of Supplier's subcontractor proposed for the work. Supplier's subcontractor may not be changed except at the request of or with the written approval of the Customer. The Customer shall promptly notify the Supplier in writing if, after due investigation, Customer has reasonable objection to any subcontractor on such list and does not accept it. Failure of the Customer to make objection promptly shall constitute acceptance of such subcontractor. Copies of all subcontracts shall be furnished to Customer.

## **ARTICLE 15 - THIRD PARTY BENEFITS**

Except as may be specifically provided for herein, no provision of this Agreement is intended or is to be construed to be for the benefit of any third party.

## **ARTICLE 16 – SAFETY**

Customer may at any time suspend the work or any part thereof, immediately and verbally for reasons of safety. In the event of any work stoppage, Supplier shall properly protect such work as may be liable to sustain injury from any cause.

The Customer's Safety Rules and Regulations for Supplier's attached hereto and made a part hereof, as *Schedule A* and shall apply to all work performed under this Agreement.

## **ARTICLE 17 - ACCIDENT AND LOSS PREVENTION**

For the protection of workers and the public, the Supplier will take all necessary and advisable precautions for the safety of all persons and property at, on, or near the work site and will erect and maintain all necessary and advisable safeguards as required by the conditions and progress of the work.

## **ARTICLE 18 – INSURANCE**

Supplier shall maintain insurance in accordance with the requirements as set forth in *Schedule H*. Supplier must maintain applicable insurance. An insurance certificate must be mailed to Customer prior to starting Services.

## **ARTICLE 19 – INDEMNIFICATION**

Supplier will indemnify, defend at its expense and hold harmless the Customer and its Affiliates, directors, officers, employees, and agents (the "Indemnitee") from and against any and all claims, demands, suits, losses, costs, fees, damages or expenses it may suffer, or for which it may be held liable, whether including, without limitation, reasonable expenses and attorney's fees incurred in the connection therewith, by reason of (A) any patent, trademark, or copyright infringement claim, or any design, device, process or procedure used, installed or provided by the Supplier or its agents or subcontractors under this Agreement; (B) any work-related accident or injury affecting an employee, agent or subcontractor of the Supplier, arising in connection with work performed under this Agreement; (C) any claim by an agency or instrumentality of the federal, state or any local government, or by an employee, agent or subcontractor of the Supplier alleging that (i) the Indemnitee is required to maintain worker's compensation or unemployment or any other type of insurance upon any employee, agent or subcontractor of the Supplier; (ii) the Indemnitee is liable for tax payments or withholding with respect to any employee, agent or subcontractor of the Supplier; (iii) any employee, agent or subcontractor of the Supplier is entitled to receive employee benefits from the Indemnitee, including, without limitation, vacation, deferred compensation, medical, pension, 401(k) or any other benefit available to the Indemnitee's employees; and (iv) the Indemnitee is liable to any party, for any reason, due to the negligent performance of Services or omissions by an employee, agent or subcontractor of the Supplier; (D) bodily injury, including death, to any person or persons due to the negligent, reckless or willful actions or omissions of the Supplier or its agents or subcontractors; (E) damage to or destruction of any property, including loss of use thereof, due to the negligent, reckless or willful actions or omissions of the Supplier, or its agents or subcontractors. Individual employees, agents and subcontractors of the Supplier who are performing services for the Indemnitee under this Agreement shall be considered to be employees, agents or subcontractors of the Supplier for all purposes under this Agreement, notwithstanding any judicial or

administrative determination that such employees, agents or subcontractors of the other party should be regarded as employees under applicable law. All actions of the employees, agents and subcontractors of the Supplier under this Agreement shall be deemed to be actions of the Supplier under these indemnities and this Agreement. In furtherance of the foregoing indemnification and not by way of limitation thereof, the Supplier hereby waives any defense or immunity it might otherwise have under applicable worker's compensation laws or any other statute or judicial decision (including, for Work or services to be conducted in Maine, without limitation, Diamond International Corp. v Sullivan & Merritt, Inc. 493 A2d. 1043 (Me 1985)) disallowing or limiting such indemnification, and the Supplier consents to a cause of action for indemnity. Notwithstanding the foregoing, nothing set forth herein shall require Supplier to indemnify Customer or any Company for its own negligence or willful misconduct

## **ARTICLE 20 – WARRANTY**

The Supplier warrants that the Services performed under this Agreement shall be performed in accordance with any specifications set forth in a Purchase Order or elsewhere herein, and otherwise in accordance with sound and generally accepted industry practice by those who render these types of services with that degree of skill and care as required by customarily accepted professional practices and procedures, at the time such services are performed. If the Supplier's services are faulty, the Supplier shall for a period of one (1) year after completion of the Services and acceptance by Customer and/or Company of Services pursuant to the terms of this Agreement, without labor charge and adders or other fee to Customer, re-perform such Services to the extent necessary to correct the fault therein. This provision shall not be construed to affect or limit the liability of the Supplier to third parties, Supplier's obligation to Customer pursuant to the Indemnification clause contained herein or any other remedy which may be available to Customer under applicable law.

## **ARTICLE 21 - APPROVAL/ACCEPTANCE**

All work under this Agreement shall be subject to the Customer's inspection and approval before payment.

## **ARTICLE 22 - FORCE MAJEURE**

Supplier shall not be charged with any liability for failure to perform when such failure is due to any cause beyond the control and without the fault or negligence of Supplier, except that adverse weather shall not be deemed a cause beyond the control of Supplier for purposes of this Agreement unless the adverse weather is unusually severe, provided that the Supplier shall have used its best efforts to remedy the delaying cause or condition and recommence performance, and has furnished the Customer with prompt written notice when it appears that such cause will result in non-performance or shall threaten to impair Customer's ability to operate. Customer shall have the right at its option and without being under any liability to Supplier to cancel by notice in writing to Supplier the portion or portions of the work so affected. Correspondingly, except for payment of amounts due and owing by Customer or Company hereunder for any Services completed in accordance with this Agreement prior to such cancellation, Customer shall be excused for failure of performance herein due to any cause beyond its control and without its fault or negligence.

Customer and Supplier expressly agree, notwithstanding any provision in this Contract to the contrary, unless otherwise agreed to in writing by both parties, that: (i) a COVID-19 pandemic exists worldwide as of the execution date of this Contract; (ii) the existence of such pandemic, and its effects, now, and for the duration of Supplier's performance under the Contract, including, without limitation, effects upon pricing, schedule, quantities or specifications, if any, shall not be cause for Supplier to rely upon, invoke, or avail itself to, any rights or remedies under this Contract, at law, or in equity, for a claim, or an adjustment to the price, schedule, quantities, specifications, or other material terms of this Contract, including the rights and remedies set forth in the Force Majeure provision of this Contract; (iii) the material terms of this Contract, particularly terms relating to price, schedule, quantities, availability and specifications, take into consideration, and fully account for, the existence of such pandemic and its effects, now, and for the duration of Supplier's performance under the Contract; and (iv) such pandemic shall not render Supplier unable to fulfill any of its obligations under the Contract, and Supplier shall not have any claim, action or cause of action against Customer in connection with such pandemic, including any claim for frustration of purpose, change in circumstances, economic balance or impossibility. This provision shall survive the completion or earlier termination of this Contract.

### **ARTICLE 23 - TITLE AND LIENS**

Supplier represents and warrants that it has title to all equipment or material furnished hereunder free and clear of all liens and encumbrances. Complete legal and equitable title to each item of equipment or material covered by this Agreement shall pass to the Customer immediately upon full payment for such equipment or material. This provision shall apply irrespective of any terms of payment specified in this Agreement. Passage of title pursuant to this provision shall not release or waive any continuing or subsequent responsibility of Supplier under this Agreement.

Supplier shall take all action reasonably necessary to discharge, remove, or satisfy any lien filed against any property of the Customer, or any portion thereof, arising from any work, labor, services, or materials claimed to have been performed or furnished for, or on behalf of, the Supplier or any person or entity by or through the Supplier. Supplier shall forthwith take such action necessary to discharge, remove, or satisfy any such lien filed against the property of the Customer, including but not limited to posting of a bond. If the Supplier shall fail to discharge, remove, or satisfy any such lien within fourteen (14) days after notice of the existence of such lien has been provided by the Customer, the Customer shall have the right, but not the obligation, to pay the amount of such lien, or discharge the same by deposit or bonding, and the amount so paid or deposited, or the premium paid for such bond, with interest at the maximum allowable by law, may be set-off against any payment due Supplier under this Agreement.

### **ARTICLE 24 - PROGRESS AND COMPLETION**

It is expressly understood by the Supplier that TIME IS OF THE ESSENCE in the performance of this Agreement. The Supplier shall begin the work on the date of commencement set forth in the Agreement. The Supplier shall carry the work forward expeditiously with adequate forces and shall complete it by the time work is to be completed as stated in the Agreement.

If the Supplier is delayed at any time in the progress of the work, written notice thereof, including an explanation of the cause and the anticipated duration of the delay, shall be given promptly to the Customer by the Supplier, but in no event later than fourteen (14) days after such delay becomes apparent. Failure to give such notice promptly and within such time limit shall be

deemed sufficient reason for denial by Customer of an extension of time for performance and may be deemed a default.

Failure of Supplier's subcontractor or materials and equipment suppliers to meet schedules shall not be cause for an extension of time. Supplier acknowledges that it has sole responsibility for expediting the efforts of its subcontractors, suppliers, and others.

Without prejudice to other remedies that Customer may have under the Agreement or the law, if Supplier fails to meet the time schedule or other delivery date obligations set forth in the Agreement (the "Guaranteed Delivery Dates"), then Supplier shall pay to Customer as liquidated damages for such delay, and not as a penalty, the amounts set forth in Schedule E of this Agreement, if any, for each day the delivery is late under the applicable Agreement (the "Liquidated Damages"). If Schedule E to this Agreement does not establish an amount of liquidated damages for such delay, the amount of the Liquidated Damages shall be equal to one per cent (1%) of the final total price of the Agreement, Statement of Work, or applicable order for each full calendar week's delay. The Parties acknowledge and agreed that to the extent Supplier is already required to pay amounts for a certain delay or failure by Supplier to timely complete any Services or related work under the provisions in Schedule E, that Supplier is not also required to separately pay such 1% Liquidated Damages to Customer.

Such Delay Damages shall never exceed fifteen per cent (15%) of the final total price of the Agreement, Statement of Work, or applicable order, defined as the initially agreed price of the Agreement, Statement of Work, or applicable order plus any adjustments or reviews carried out according with the terms hereunder.

The Parties acknowledge and agree that because of the unique nature of the performance it is difficult or impossible to determine with precision the amount of damages that would or might be incurred by Customer as a result of Supplier's failure to meet the Guaranteed Delivery Dates under the applicable Agreement, Statement of Work, or applicable order. It is understood and agreed by the Parties that (i) Customer shall be disadvantaged by failure of Supplier to meet such obligations, (ii) it would be impracticable or extremely difficult to quantify the amount of Customer's damages resulting therefrom, and (iii) any Liquidated Damages payable under the applicable Agreement, Statement of Work, or applicable order are not a penalty, but instead represent a fair and reasonable estimate of damages for failure to meet Supplier's Guaranteed Delivery Dates.

In no event shall the payment of any Liquidated Damages excuse Supplier from performance of any of its other obligations under this Agreement or prejudice Customer's rights under the Agreement or Applicable Law.

Customer shall have the right to deduct any Liquidated Damages due from the payment of any pending invoices to Supplier.

## **ARTICLE 25 - EMERGENCIES**

The Supplier shall perform any work and shall furnish and install any materials and equipment necessary during an emergency affecting the safety of persons and property. In all cases, Supplier shall notify the Customer of the emergency as soon as practicable, but shall not wait for

instructions before proceeding to properly protect both life and property. Any additional compensation or extension of time claimed by the Supplier on account of emergency work shall be determined by mutual agreement of the parties.

## **ARTICLE 26 - WORK STOPPAGE**

Supplier's personnel shall not honor any union picket lines or strikes nor take part in any work slowdown or stoppage nor refuse to report for work, unless such action is protected by any state or federal labor relations law. Notwithstanding the preceding sentence, it shall be the obligation of the Supplier to supply a qualified work force. Customer may terminate this Agreement if Supplier fails to provide a qualified work force within fourteen (14) days of Customer's notification to Supplier that a qualified work force has not been supplied.

## **ARTICLE 27 - TERMINATION**

Customer may for any reason, with or without cause, on written notice to Supplier terminate all or any part of the unperformed portion of this Agreement without liability to Customer except as stated in this Article. In full discharge of any obligations to Supplier in respect of this Agreement and such termination, Customer shall pay Supplier, in accordance with the payment terms of the Agreement, only for Services performed prior to receipt by Supplier of notice of termination; provided, however, that such payment shall not result in a total payment to the Supplier exceeding the maximum amount payable to the Supplier pursuant to this Agreement. Termination shall not relieve Supplier of any obligation which may arise out of Services performed prior to termination. In no event shall Customer be liable to Supplier for lost profit or overhead in respect of Services not performed prior to termination, unabsorbed overhead or anticipated profits on uncompleted portions of this Agreement.

In the event Supplier is in default of any of its obligations under this Agreement, Customer shall have the right, on fourteen (14) days written notice to Supplier, to terminate this Agreement for such default; provided, however, that Supplier shall have the right to cure by submitting a plan acceptable to the Customer to cure the default during the fourteen (14) day notice period in order to avoid termination and providing that such default is, in fact, cured within thirty (30) days after Supplier first received notice of the default from Customer. In the event of such termination, the preceding paragraph of this Article shall not apply and Customer shall have all rights and remedies provided by law or equity and under this Agreement. In addition, in such event, Customer may retain from any money otherwise due for Services rendered prior to termination an amount which Customer reasonably determines is adequate to cover all damage resulting from the Supplier's default. In the event that Supplier demonstrates that a cancellation for default is erroneous, the cancellation shall, at Customer's option, be withdrawn or be deemed to have been issued as a termination for convenience pursuant to the preceding paragraph and the rights and obligations of the parties hereto shall in such event be governed accordingly. The value of Services performed not in accordance with this Agreement shall be subject to audit, assessment and approval by Customer.

## **ARTICLE 28 – TERM AND SURVIVAL**

This Agreement shall remain in effect unless otherwise terminated as provided herein, or upon receipt by Customer of Supplier's Release and Certificate Form and Final Payment is made as set forth in Article 30 below. Notwithstanding the foregoing, Articles 4, 7, 9, 10, 13, 14, 17, 18, 19,

22, 31, 37, 38, 39, 47 and all other terms which contain obligations or duties which by their nature are to be or may be performed beyond any termination hereof, shall survive the termination of this Agreement without regard to the reason for termination.

### **ARTICLE 29 - REMOVAL OF EQUIPMENT**

In the case of termination of this Agreement for any reason whatsoever, the Supplier, if notified to do so by the Customer, shall promptly remove any part or all of Supplier's equipment and supplies from the property of the Customer, failing which the Customer shall have the right to remove such equipment and supplies at the expense of the Supplier.

### **ARTICLE 30 - FINAL PAYMENT**

Final payment under this Agreement shall not be made until successful completion and acceptance of the work by the Customer and when requested by Customer, Supplier's delivery of a completed Release and Certificate Form, the form of which shall be provided to Supplier at the time of the request.

### **ARTICLE 31 - ASSIGNMENT**

Supplier shall not assign all or any of its rights or obligations under this Agreement except with the prior written consent of Customer. Any assignment made without such consent shall be void ab initio.

### **ARTICLE 32 - SEVERABILITY**

If any provision of this Agreement is unenforceable under any applicable law or is held invalid, such holding shall not affect any other provision hereof, and this Agreement shall be construed as if such unenforceable or invalid provision had never been contained herein.

### **ARTICLE 33 - NON WAIVER OF RIGHTS**

Any failure by a Party to enforce or require the strict performance of the terms or conditions of this Agreement shall not constitute a waiver of such terms or conditions and shall not affect or impair such terms or conditions in any way.

### **ARTICLE 34 - OWNERSHIP OF PLANS**

All drawings, plans, specifications, reports, designs, design data, technical and scientific data, findings, recommendations and memoranda of every description whether furnished to or prepared by Supplier under this Agreement shall (x) be delivered to Customer upon completion of the work or termination or cancellation of this Agreement, (y) be deemed to have been prepared by Supplier for Customer on a work-made-for-hire basis, and (z) shall be the property of Customer and may be used by Customer for any purpose whatsoever without any claim on the part of Supplier for additional compensation. To the extent any of the foregoing are not deemed a work for hire by operation of law, Supplier hereby irrevocably assigns, transfers, and conveys to the Customer without further consideration all of its right, title, and interest in such drawings, plans, specifications, reports, designs, design data, technical and scientific data, findings,

recommendations and memoranda of every description, including all rights of patent, copyright, trade secret or other proprietary rights in such materials.

Except as specifically authorized by this Agreement, or as otherwise authorized in writing by Customer, information and other data developed or acquired by or furnished the Supplier in the performance of this Agreement shall be used only in connection with the work under this Agreement.

### **ARTICLE 35 - KEY PERSONNEL**

Personnel assigned to perform work hereunder who are designated as "Key" Personnel in this Agreement shall devote their working time to the work as required by the Agreement Schedule of Activities and shall not be removed, without the prior written consent of Customer, until their assignments are completed. The Customer shall have the right to reject replacements for personnel.

### **ARTICLE 36 - PUBLIC RELEASE OF INFORMATION**

Date, photographs, sketches, advertising and other information relating to the work under this Agreement, which Supplier desires to release or publish, shall be submitted to the Customer for approval two (2) weeks prior to the desired release date. As a part of the approval request, Supplier shall identify the specific media to be used as well as other pertinent details of the proposed release. All releases must have the prior written approval of the Customer which approval may be withheld without reason or explanation to Supplier.

### **ARTICLE 37 - LIMITATION OF LIABILITY**

To the fullest extent permitted by law, Customer shall not be liable for any special, indirect or consequential damages resulting in any way from the performance of the services hereunder.

### **ARTICLE 38 – CONFIDENTIALITY**

Supplier, its employees and agents, shall treat any information, (including any technical information, experience or data) regarding Customer or Customer's plans, programs, plants, processes, costs, equipment, operations, of Customer (or Affiliates), which may be disclosed to, or come within the knowledge of, Supplier its employees and agents in the performance of this Agreement, as confidential, and will not use or disclose this information to others, during the term of this Agreement, and for three (3) years thereafter, except as is necessary to perform the services hereunder, without Customer's prior written consent. The provisions of this Article shall not apply to any information referred to in this Section which (i) has been published and has become part of the public knowledge through no effort by Supplier, its employees, or agents, (ii) has been furnished or made known to Supplier or Supplier's Affiliates by third parties (other than those acting directly or indirectly for or on behalf of Customer) as a matter of legal right and without restriction on disclosure, (iii) was in Supplier's possession prior to disclosure by Customer and was not acquired by Supplier or Supplier's Affiliates, its employees and agents directly or indirectly from Customer or, (iv) is required by law or by any other governmental regulatory authority to be disclosed.

Any information, which is supplied by the Supplier to Customer will be similarly restricted, including clauses (i) through (iv) in the paragraph above. Customer will not disclose such information to others or publish it in any form at any time; provided, however, that notwithstanding the foregoing, Customer may disclose any such information to its Affiliates, employees, and consultants, to any regulatory agencies or instrumentality's when such disclosure is necessary, or otherwise required by law.

Each party agrees that they will cooperate with the other in an effort to minimize the amount of such information, which will be disclosed in any such case, and to make reasonable efforts to secure confidential treatment of such information.

In no event shall Customer's name and/or logo or the name and/or logo of its Affiliates be used, whether written or verbal, duplicated, reproduced by any means whatsoever without the prior written permission of the Customer.

All inquiries by any governmental, business, or other entity, including media, regarding any work performed or to be performed by Supplier for Customer shall be directed by Supplier to Customer for response.

### **ARTICLE 39 - EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE**

To the extent, if any, that the provisions of the following executive order and statutes, as amended or supplemented, along with their implementing regulations, apply to the performance of the Services by Supplier, the Supplier will comply with the applicable executive order, statutes and regulations : Section 202 of Executive Order 11246 (41 CFR § § 60, et seq.); Section 402 of the Vietnam Era Veterans Readjustment Act (41 CFR § § 60-250.1, et seq.); Section 503 of the Rehabilitation Act of 1973 (41 CFR § § 741.1, et seq.); and New York Executive Law §§ (5 NYCRR § § 140.1, et seq.). These regulations may require the Supplier to develop an Affirmative Action Compliance Program and file a standard Form 100 Report (EEO-1), or other reports, as prescribed.

Supplier and each of its subcontractors (if any) 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, disability or veteran status.

## **ARTICLE 40 - SURETY BOND**

The Company shall have the right, at all times, to require the Supplier to furnish a bond covering faithful performance of this Agreement and the payment of all obligations arising hereunder (i.e., Performance Bonds, Mechanics Liens), including any damages that may be payable under Article 27. The Company shall be entitled to approve the amount, form, premium cost, and surety Company issuing such surety bond.

## **ARTICLE 41 - GOVERNING LAW**

The Supplier will comply with all applicable federal, state and local laws, rules, ordinances and regulations of any governmental entity, board or agency having jurisdiction over the work or the premises.

All questions concerning the interpretation, validity and enforceability of this Agreement and of its terms and conditions, as well as questions concerning the sufficiency or other aspects of performance under the terms or conditions of this Agreement, shall be governed by the law of the State of New York, without reference to its conflict of law provision and any action or proceeding brought in connection therewith, will be brought in the appropriate court located in the State of New York.

## **ARTICLE 42 - PERFORMANCE MONITORING**

Customer will evaluate Supplier's performance by utilizing Supplier Corrective Action Reports and Supplier Performance Evaluation Reports. The Supplier must provide upon request the OSHA incident rate and Experience Modification Rate for Customer's review. The Customer's Project Manager will evaluate the Supplier's performance upon the conclusion of every project by completing the specified report. The Customer will continuously monitor the Supplier's performance. Performance by a Supplier that is less than desirable may potentially eliminate this Supplier from bidding on future projects and/or lump sum projects.

## **ARTICLE 43 - CONTINUOUS IMPROVEMENT**

Continuous improvement is the foundation of this Agreement. Supplier likewise will use its best efforts to improve continuously its performance in all areas. In particular, Supplier will evaluate opportunities for cost/price reductions on items and services ordered and to be ordered and communicate them promptly to Customer.

## **ARTICLE 44 - NO DISPUTE**

Supplier represents and warrants that it is not aware of any pending billing dispute or other contractual dispute (pursuant to current contracts or contracts no longer in effect) or any pending or threatened litigation between Supplier and/or any of Supplier's affiliates and Customer and/or and of Customer's affiliates.

## **ARTICLE 45 - SECURITY REQUIREMENTS**

Supplier shall comply with Customer's Security Requirements in their performance of Services as provided herein.

Supplier shall be familiar with and shall comply with the requirements of the NERC CIP- 004 for projects or services at or relating to critical cyber assets and critical Customer operating facilities (“Critical Infrastructure”). The specific CIP Standard follows:

**CIP-004 Excerpt:**

R3. Personnel Risk Assessment --The Supplier shall have a documented personnel risk assessment program, in accordance with federal, state, provincial, and local laws, and subject to existing collective bargaining unit agreements, for personnel having authorized cyber or authorized unescorted physical access. A personnel risk assessment shall be conducted pursuant to that program prior to such personnel being granted such access except in specified circumstances such as an emergency. The personnel risk assessment program shall at a minimum include:

R3.1. The Supplier shall ensure that each assessment conducted include, at least, identity verification (e.g., Social Security Number verification in the U.S.) and seven- year criminal check. The Supplier may conduct more detailed reviews, as permitted by law and subject to existing collective bargaining unit agreements, depending upon the criticality of the position.

R3.2. The Supplier shall update each personnel risk assessment at least every seven years after the initial personnel risk assessment or for cause.

R3.3. The Supplier shall document the results of personnel risk assessments of its personnel having authorized cyber or authorized unescorted physical access to Critical Cyber Assets, and that personnel risk assessments of contractor and service vendor personnel with such access are conducted pursuant to Standard CIP-004.

## **ARTICLE 46 - EMPLOYEE SOLICITATION**

Supplier understands and acknowledges that Customer has expended and continues to expend significant time and expense in recruiting and training its employees and that the loss of employees would cause significant and irreparable harm to Customer. To the maximum extent permitted under applicable laws, the Supplier agrees and covenants not to directly or indirectly solicit, hire, or recruit, or attempt to solicit, hire, or recruit-any employee who has been employed by the Customer or its Affiliates during the term of this Agreement, with whom Supplier has had contact in connection with the negotiation, execution, or performance of this Agreement (collectively, "Covered Employee"), or induce the termination of employment of any Covered Employee for a period of one (1) year, beginning on the employee's last day of employment with the Customer or one (1) year after the term of this Agreement, whichever is sooner in the applicable case, except with the prior written consent of the Customer, and Supplier shall not induce or attempt to induce, directly or through an agent or third party, any such Covered Employee to leave the employ of the Customer or its Affiliates. As used herein, the term “Affiliate” shall mean any person or entity controlling, controlled by, or under common control with the Customer through majority stock or other ownership interest, direct or indirect. Notwithstanding the foregoing, nothing in this clause shall either (i) limit Supplier from employing any person who contacts Supplier on his or her own initiative and without any solicitation by Supplier specifically directed to such employee, or (ii) directly or indirectly prohibit or restrict either Party from soliciting or hiring another Party's current or future

employees to the extent such prohibition or restriction is prohibited or impermissible under applicable laws. Customer and Company(ies) shall similarly restrict solicitation of Supplier's Covered Employees.

## **ARTICLE 47 – ETHICS**

Supplier shall comply with the Avangrid Suppliers' Code of Ethics ("Suppliers' Code of Ethics") in connection with its performance under this Agreement. The Suppliers' Code of Ethics can be found at the Avangrid website ([www.Avangrid.com](http://www.Avangrid.com)).

## **ARTICLE 48 – COMPLIANCE WITH LAWS GENERALLY**

Supplier will comply with all laws, rules and regulations of any governmental entity, board or agency having jurisdiction over the Services, including, without limitation, State, Federal or local laws, rules and regulations and any applicable Executive Orders (State or Federal) in the performance of the Services.

## **ARTICLE 49 – UTILIZATION OF SMALL BUSINESS CONCERNS**

Supplier and subcontractors of all tiers must comply with section 52.219-8 of the Federal Acquisition Regulation. This policy requires that small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, women-owned small business, Alaskan Native Corporation, and Indian tribe concerns shall have the maximum practicable opportunity to participate in the performance of Services.

## **ARTICLE 50 – SMALL BUSINESS SUBCONTRACTING PLAN**

Some or all of the Goods and Services provided hereunder may be used in a contract with the federal government and, therefore, may be subject to the requirements of FAR section 52.219-9. If applicable, each Supplier (except small business concerns) whose contract is expected to exceed \$650,000 (\$1,500,000 for construction) and has subcontracting possibilities is required to submit an acceptable subcontracting plan to the Customer. The plan shall include spending goals with businesses that are defined by the U.S. Small Business Administration as small, women-owned small, veteran-owned small, service-disabled veteran-owned small, HUBZone, small disadvantaged (SDB), Alaskan Native Corporations, and Indian tribes. If the Supplier fails to submit a plan within the time limit prescribed by the Customer, Customer may terminate this Agreement.

The Supplier assures that the clause entitled "Small Business Subcontracting Plan" will be included in all subcontracts, that offer further subcontracting opportunities, and all subcontractors (except small business concerns) who receive subcontracts in excess of \$650,000 (\$1,500,000 for construction) will be required to adopt a plan similar to this plan.

## **ARTICLE 51 - GRATUITIES PROHIBITED**

The Supplier shall not, under any circumstances, offer or extend any gratuity or special favor to any employee or agent of the Customer or its Affiliates or do anything which might reasonably be

interpreted as an attempt to influence any employee or agent of the Customer in the conduct of their duties.

## **SCHEDULE D**

### **Pricing Terms**

#### **Distribution Circuit and/or Transmission Line Revisions**

In the event a distribution circuit or transmission line is reconfigured, the lump sum price will be adjusted to match the increase or decrease in miles using the Company GIS Mapping system. The price will be adjusted using the current year price for impacted circuit(s)/line(s), in the scheduled year. Changes of one half (1/2) mile or less will not require adjustments.

#### **2020-2022 Pricing**

Lump Sum pricing is for the duration of the contract. 2022 unitized pricing extends from 1/1/2022 until 3/31/2023 (contract end date).

The Company, at its sole discretion, will determine whether work will be done at T&M rates or on a unit basis according to the pricing in this Schedule D as part of work authorization.

Invoices are to note the type of billing being used (time and material, unit pricing, lump sum) and include the appropriate supporting documentation.

Payment will be made Net 60 days from receipt of the invoice. All lump sum projects will be paid on a distribution circuit or transmission line basis. When 50 percent of the distribution circuit or transmission line is complete and rework is finished then 50 percent of the cost of circuit or transmission line will be paid. Distribution circuit or transmission line costing \$500,000 or more will be invoiced in 25% increments. Inspections of work will be completed in a timely manner. When the distribution circuit or transmission line is 100 percent complete and rework complete the final payment will be made. Time and Material, unit work or capital unit work will be invoiced weekly.

Supplier field crews will fill out and submit weekly, daily work reports using electronic format and field units provided by the Company, must submit files by end of day on last regularly scheduled work day of the week and immediately after storm/trouble work in the event a crew works after the regularly scheduled work

Supplier is to request approval for timesheet corrections from Company Representative within 10 business days after receipt of timesheet. Corrections will not be accepted from the Supplier after the 10-day time limit.

#### **Regular Work**

All crews furnished by Supplier will be required to have at least two (2) individuals qualified to do aerial work / unless agreed to otherwise in writing. All crews will be fully qualified. All general foremen (supervisors) and foremen shall have with them at all times a supplier issued photo identification, with their company name, and foreman name and photo. All crews are required to have one English speaking worker able to communicate with landowners.

Supplier is responsible to meet all work load requirements within an awarded Division for the entire year. Work load schedules may vary and it is the Supplier's responsibility to meet these demands. Work load consists of Lump Sum, Hot Spot, Construction and Storm. Supplier shall be responsible for providing a presence on lump sum work for a minimum of 11 months of the year to assist with meeting the demands of Hot Spot, Capital and Storm work. The Company will provide historical data upon request to assist with the planning.

When the Supplier, for their convenience, requests that work be performed outside the regular established workday, the rates paid will be the straight time labor rate as noted in Schedule D.

The Company recognizes the following holidays as qualified to pay overtime (double-time) for emergency work:

- New Year's Day
- President's Day
- Memorial Day
- Good Friday
- Independence Day
- Labor Day
- Veterans Day
- Thanksgiving Day
- Day after Thanksgiving Day
- Christmas Day

Company approval is required for any work outside the regular established workday.

There may be limited occasions when Lump Sum circuit schedules need to be moved forward or back (swapping out of planned circuit years) due to emerging issuing impacting either the Company or Supplier. Both parties agree to be open to moving circuits in this manner, with the overall purpose of not substantially changing the annual mileage totals for a particular year, in a particular Division, unless agreed to by both parties.

### **Inclement Weather**

When a tree crew decides to halt work due to inclement weather they are to call their Company representative (arborist) for instructions.

### **Emergency Rate Work**

Emergency restoration work within the scope of this agreement will be paid standard overtime rates, as outlined in this Schedule D, for all hours worked outside of the regular established work week (Monday to Friday) between 6:30am to 3:30pm. Once a worker is in rotation, worker will remain on overtime until greater than an 8 hour or longer rest break. Additional charges may be approved to cover special additional costs, such as charges for meals furnished to Supplier employees during the scope of the emergency work. Supplier will not charge for chipper unless equipment is requested by Company. For all of the Supplier's crews moved from outside of their home territory during a storm, the Supplier and Company shall comply with the Emergency Restoration Work Agreement. All costs for storm work will be in accordance with the IBEW agreement for union contractors.

Vegetation Management requested multiple contractors due to volume of work and lack of sufficient qualified crews by only one contractor that submitted pricing in this division. The arborist in this division will direct capital and trouble to the best qualified crew or crews provided they are meeting safety, mileage and customer service metrics.

The T&M on lump sum circuits would stay with the contractor doing the lump sum provided they are meeting safety, mileage and customer service metric.

### **Circuit List**

All circuits that were bid on are included in this contract to document pricing, however work to be completed is determined by budget available. It is anticipated the budget will be determined by May 31<sup>st</sup> 2020 or there about for the full contract duration.

Auburn Division - Lump Sum Distribution					
Circuit	SAP Circuit Number	Perform Work Year	Miles	Total	Price
WARNERS 526	4405001	2020			
MARIETTA 511	4401602	2020			
JORDAN 613	4401301	2020			
OTISCO 701	4401501	2020			
OTISCO 703	4401503	2020			
STRYKER AVE 721	4402102	2020			
UNION SPRINGS 609	4400401	2020			
SAVANNAH 630	4408501	2021			
HAMILTON RD 530	4402901	2021			
AURORA 708	4400702	2021			
CAYUGA 631	4400101	2021			
MARCELLUS 627	4401402	2021			
GENOA 603	4401701	2021			
GRANT AVE 720	4400503	2021			
GRANT AVE 719	4400502	2021			
GRANT AVE 718	4400501	2021			
GREEN ST 322	4400901	2021			
STRYKER AVE 702	4402101	2022			
AURORA 707	4400701	2022			
PORT BYRON 611	4401101	2022			
SCIPIO 606	4401802	2022			
WRIGHT AVE 520	4400304	2022			
JORDAN 714	4401302	2022			
SWIFT AVE 316	4400603	2022			
BRUTON RD 521	4403401	2022			

### Binghamton Division - Lump Sum Distribution

Circuit	SAP Circuit Number	Perform Work Year	Miles	Total	Price
WINDSOR 757	8103801	2020			
CASTLE GARDEN 622	8104102	2020			
CINCINNATUS 761	8103203	2020			
BODLE HILL 646	8102002	2020			
CENTER VILLAGE 248	8103002	2020			
CONKLIN 229	8101801	2020			
LOUNSBERRY 179	8102802	2020			
WEST CREEK ROAD 513	8107701	2020			
WHIG STREET 783	8102201	2020			
FLEMINGVILLE 173	8102401	2020			
GLEN AUBREY TAP 417	8104001	2020			
LANGDON 610	8102701	2020			
NOYES ISLAND 103	8100402	2020			
GOODEY 722	8100502	2020			
NOYES ISLAND 121	8100407	2020			
NOYES ISLAND 107	8100408	2020			
ENDICOTT RAILWAY 187	8101001	2020			
NOWLAN ROAD 226	8101501	2020			
WILLET 423	8104401	2021			
KATTELVILLE 422	8104601	2021			
FULLER HOLLOW 617	8105003	2021			
GREENE 607	8103302	2021			
GLENWOOD 684	8100605	2021			
GREENE 425	8103301	2021			
TARBELL 602	8103602	2021			
SOUTH OWEGO 540	8107402	2021			
WILLET 418	8104404	2021			
CHENANGO BRIDGE 742	8101702	2021			
ENDICOTT HILL 181	8101101	2021			
CASS HILL-ITHACA 743	4305101	2021			
LANGDON 427	8102702	2021			
SOUTH OTSELIC 427	8103501	2022			
AFTON 460	8102903	2022			
FULLER HOLLOW 615	8105001	2022			
LOUNSBERRY 178	8102801	2022			
CONKLIN 263	8101803	2022			
ENDICOTT HILL 183	8101102	2022			
CHENANGO BRIDGE 741	8101701	2022			
APALACHIN 176	8101901	2022			
HALSEY VALLEY 530	4302501	2022			

<b>MORNINGSIDE HEIGHTS 675</b>	8104202	2022
<b>OUAQUAGA WEST 430</b>	8105601	2022
<b>INGRAHAM HILL 433</b>	8108001	2022
<b>MAINE 266</b>	8102501	2022
<b>WILLET 421</b>	8104402	2022
<b>CHENANGO FORKS 206</b>	8103101	2022
<b>NORTHSIDE 456</b>	8104502	2022
<b>MORNINGSIDE HEIGHTS 674</b>	8104201	2022
<b>MORRIS STREET 657</b>	8100101	2022
<b>BODLE HILL TAP 515</b>	8105801	2022
<b>ROUTE 38 513</b>	8108201	2022

Brewster Division - Lump Sum Distribution					
Circuit	SAP Circuit Number	Perform Work Year	Miles	Total	Price
CHU-TOWER HILL RD	1108701	2020			
CROTON FALLS 517	1105096	2020			
HARLEM VALLEY 105	1107505	2020			
WASSAIC 115	1107615	2020			
CHU-SYLVAN BEACH	1108801	2020			
CHU-LONG HILL RD	1109201	2020			
PAWLING 165	1106665	2020			
TILLY FOSTER 440	1107240	2020			
CHU-CHAPMAN RD	1109001	2020			
KATONAH 448	1109648	2020			
KATONAH 450	1109650	2020			
MOHANSIC 402	1106341	2020			
PUTNAM LAKE 484	1106984	2020			
KENT 175	1106275	2020			
DINGLE RIDGE 278	1105978	2020			
TEAKETTLE SPOUT 491	1107191	2020			
CANTITOE 283	1105583	2020			
AMAWALK 454	1105254	2020			
TILLY FOSTER 439	1107239	2021			
PAWLING 508	1106668	2021			
CARMEL 501	1109701	2021			
CARMEL 503	1109703	2021			
CRAFTS 423	1105723	2022			
CRAFTS 422	1105722	2022			
PAWLING 509	1106667	2022			
DOVER PLAINS 494	1106094	2022			
TILLY FOSTER 441	1107241	2022			
TILLY FOSTER 442	1107242	2022			
CROTON FALLS 514	1105002	2022			
PUTNAM LAKE 485	1106985	2022			
TILLY FOSTER 437	1107237	2022			
TILLY FOSTER 438	1107238	2022			
CHU-SEPARATE RD	1108501	2022			
CHU-PLEASANT RDGE RD	1108601	2022			
CHU-WHITE POND RD	1108901	2022			
CHU-LONG MTN RD	1109101	2022			

## NYSEG UNIT RATES FOR DISTRIBUTION CONSTRUCTION

**Notes:**

- Unit rate shall include customer notification, and debris disposal per NYSEG Specification.
- A span is billed as "with bucket" if at least 51% of the span is accessible to a bucket truck.
- Removals are charged on a unit basis
- Trees larger than 30 inch DBH will be charged at T&M rates
- Ground clearing includes brush removal (<6in DBH).

Description	2020 Unit Rate	2021 Unit Rate	2022 Unit Rate	Unit Description
Flagging as required by federal, state, and local regulations. Prior COMPANY approval required. Includes vehicle, labor and tools.				
TRAVEL - Travel beyond established base. One unit per span will be paid for each increment of 25 miles beyond the established truck base location within the Division				
GROUND CLEARING - 10 FT WIDTH				
GROUND CLEARING - 20 FT WIDTH				
GROUND CLEARING - 30 FT WIDTH				
ONE SIDE TREE TRIM W/ BUCKET TRUCK				
ONE SIDE TRIM W/ BKT & GND CLEAR 10' R/W				
ONE SIDE TRIM W/ BKT & GND CLEAR 20' R/W				
ONE SIDE TRIM W/ BKT & GND CLEAR 30' R/W				
ONE SIDE TREE TRIM W/ NO BUCKET TRUCK				
ONE SIDE TRIM W/O BUCKET & GND CLEAR 10' R/W				
ONE SIDE TRIM W/O BUCKET & GND CLEAR 20' R/W				
ONE SIDE TRIM W/O BUCKET & GND CLEAR 30' R/W				
TWO SIDE TREE TRIM W/ BUCKET TRUCK				
TWO SIDE TRIM W/ BKT & GND CLEAR 10' R/W				
TWO SIDE TRIM W/ BKT & GND CLEAR 20' R/W				
TWO SIDE TRIM W/ BKT & GND CLEAR 30' R/W				
TWO SIDE TREE TRIM W/ NO BUCKET TRUCK				
TWO SIDE TRIM W/O BKT & GND CLEAR 10' R/W				
TWO SIDE TRIM W/O BKT & GND CLEAR 20' R/W				

TWO SIDE TRIM W/O BKT & GND CLEAR 30' R/W	
Tree Removal 6-12" DBH	
Tree Removal 12-18" DBH	
Tree Removal 18-24" DBH	
Tree Removal 24-30" DBH	
Tree Removal >30.1" DBH	

NYSEG DISTRIBUTION HOT SPOT UNIT RATES					
Bidder Company Name:					
Unit Name	Description	2020 Unit Rate	2021 Unit Rate	2022 Unit Rate	Unit
brush (0-50 Stems)	Incidental brush removal as directed by the Company. <b>Brush disposal included</b>				
brush (50- 250 Stems)	Incidental brush removal as directed by the Company. <b>Brush disposal included</b>				
brush (>250 Stems)	Incidental brush removal as directed by the Company. <b>Brush disposal included</b>				
brush (0-50 Stems)	Incidental brush removal as directed by the Company. <b>Brush windrowed along ROW</b>				
brush (50- 250 Stems)	Incidental brush removal as directed by the Company. <b>Brush windrowed along ROW</b>				
brush (>250 Stems)	Incidental brush removal as directed by the Company. <b>Brush windrowed along ROW</b>				
crown reduction roadside (6-14" DBH)	Incidental roadside pruning as directed by the COMPANY. Tree in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest primary conductor. Brush disposal included.				
crown reduction roadside (14-26" DBH)	Incidental roadside pruning as directed by the COMPANY. Tree in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest primary conductor. Brush disposal included.				
crown reduction roadside (>26"DBH)	Incidental roadside pruning as directed by the COMPANY. Tree in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest primary conductor. Brush disposal included.				

crown reduction climb (6-14" DBH)	Incidental roadside pruning as directed by the COMPANY. Tree in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest primary conductor. Brush may be windrowed.	
crown reduction climb (14-26" DBH)	Incidental roadside pruning as directed by the COMPANY. Tree in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest primary conductor. Brush may be windrowed.	
crown reduction climb (>26" DBH)	Incidental roadside pruning as directed by the COMPANY. Tree in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest primary conductor. Brush may be windrowed.	
side prune roadside (6-14" DBH)	Incidental roadside pruning as directed by the COMPANY. Tree in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest primary conductor. Brush disposal included.	
side prune roadside (14-26" DBH)	Incidental roadside pruning as directed by the COMPANY. Tree in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest primary conductor. Brush disposal included.	
side prune roadside (>26")	Incidental roadside pruning as directed by the COMPANY. Tree in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest primary conductor. Brush disposal included.	
side prune climb (6-14" DBH)	Incidental off road pruning as directed by the COMPANY. Tree in span pruned to 10 feet(NY)of side clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest primary conductor. Brush may be windrowed.	
side prune climb (14-26" DBH)	Incidental off road pruning as directed by the COMPANY. Tree in span pruned to 10 feet(NY)of side clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest primary conductor. Brush may be windrowed.	
side prune climb (>26 DBH)	Incidental off road pruning as directed by the COMPANY. Tree in span pruned to 10 feet(NY)of side clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest primary conductor. Brush may be windrowed.	

Bucket Accessible Pruning	Incidental roadside pruning as directed by the COMPANY. All trees in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest electrical conductor (secondary may be the lowest conductor). Brush disposal included.	
Bucket Accessible Pruning	Incidental roadside pruning as directed by the COMPANY. All trees in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest electrical conductor (secondary may be the lowest conductor). Brush disposal included.	
Non-Bucket Accessible Pruning	Incidental roadside pruning as directed by the COMPANY. All trees in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest electrical conductor (secondary may be the lowest conductor). Brush will be windrowed.	
Non-Bucket Accessible Pruning	Incidental roadside pruning as directed by the COMPANY. All trees in span pruned to 10 feet(NY)/clearance from the outside conductor, 15 feet of overhead clearance, and 10 feet below lowest electrical conductor (secondary may be the lowest conductor). Brush will be windrowed.	
Tree Removal 6.1"-12" DBH, roadside	Remove tree; brush disposal included.	
Tree Removal 12.1"-18" DBH, roadside	Remove tree; brush disposal included.	
Tree Removal 18.1"-24" DBH, roadside	Remove tree; brush disposal included.	
Tree Removal 24.1"-30" DBH, roadside	Remove tree; brush disposal included.	
Tree Removal >30.1" DBH, roadside	Remove tree; brush disposal included.	
Tree Removal 6.1"-12" DBH, off-road	Remove tree and dispose of brush per specification.	
Tree Removal 12.1"-18" DBH, off-road	Remove tree and dispose of brush per specification.	
Tree Removal 18.1"-24" DBH, off-road	Remove tree and dispose of brush per specification.	
Tree Removal 24.1"-30" DBH, off-road	Remove tree and dispose of brush per specification.	
Tree Removal >30.1" DBH, off-road	Remove tree and dispose of brush per specification.	
Tree Removal 6.1"-12" DBH, rear lot line	Remove tree; brush disposal included.	
Tree Removal 12.1" - 18" DBH, rear lot line	Remove tree; brush disposal included.	
Tree Removal 18.1" - 24" DBH, rear lot line	Remove tree; brush disposal included.	
Tree Removal 24.1"-	Remove tree; brush disposal	

30"" DBH, rear lot line	included.	
Tree Removal > 30.1" DBH, rear lot line	Remove tree; brush disposal included.	
Traffic Control	Flagging as required by federal, state, and local regulations. Prior COMPANY approval required. Includes vehicle, labor and tools.	
Mileage	Travel beyond 25 miles from established truck base with in the Service Center will be paid on per trip basis. For each 25 mile increment beyond the base location one unit will be paid. Unit is based on one way travel. Unit will only be applied if the span is not included as part of a circuit project. Special condition approved by COMPANY.	
Pre-Planning/Notification Position	Includes, labor, vehicle, and cell phone; position responsible for pre-planning and communicating Hot Spot work as directed by the Company; also responsible for aligning any/all flagging required	
Linear Bucket- Light	Tree growth has not grown into conductor zone. Standard 10, 10, 15ft clearance required. Brush disposal included	
Linear Bucket- Heavy	Tree growth has grown into conductor zone. Standard 10, 10, 15ft clearance required. Brush disposal included	
Traffic Control	Flagging as required by federal, state, and local regulations. Prior COMPANY approval required. Includes vehicle, labor and tools.. The unit is based on the linear feet of work requiring traffic control	
Vines	Unit based on individual pole requiring vine cutting and/or guy wires	
Aerial prune- overhang removal - roadside span (no ground cut)	Incidental roadside pruning as directed by the COMPANY. All trees in span pruned to 8 feet of side clearance from the outside conductor, to remove all vegetation overhanging the conductor and prune below the conductors to the ground. In the right of way all woody species capable of contacting the wires will be removed. All travel within the division, flagging, notification, and brush disposal included.	
Aerial prune- overhang removal - roadside span (with ground cut)	Incidental roadside pruning as directed by the COMPANY. All trees in span pruned to 8 feet of side clearance from the outside conductor, to remove all vegetation overhanging the conductor and prune below the conductors to the ground. In the right of way all woody species capable of contacting the wires will be removed. All travel within the division, flagging, notification, and brush disposal included.	

Aerial prune- overhang removal - roadside span (with ground cut)	Incidental roadside pruning as directed by the COMPANY. All trees in span pruned to 8 feet of side clearance from the outside conductor, to remove all vegetation overhanging the conductor and prune below the conductors to the ground. In the right of way all woody species capable of contacting the wires will be removed. All travel within the division, flagging, notification, cut surface treatment herbicide and brush disposal included				
Aerial prune- overhang removal - off-road span (no ground cut)	Incidental roadside pruning as directed by the COMPANY. All trees in span pruned to 8 feet of side clearance from the outside conductor, to remove all vegetation overhanging the conductor and prune below the conductors to the ground. In the right of way all woody species capable of contacting the wires will be removed. All travel within the division, flagging, notification, and brush disposal included.				
Aerial prune- overhang removal - off-road span (with ground cut)	Incidental roadside pruning as directed by the COMPANY. All trees in span pruned to 8 feet of side clearance from the outside conductor, to remove all vegetation overhanging the conductor and prune below the conductors to the ground. In the right of way all woody species capable of contacting the wires will be removed. All travel within the division, flagging, notification, and brush disposal included.				
Aerial prune- overhang removal - off-road span (with ground cut)	Incidental roadside pruning as directed by the COMPANY. All trees in span pruned to 8 feet of side clearance from the outside conductor, to remove all vegetation overhanging the conductor and prune below the conductors to the ground. In the right of way all woody species capable of contacting the wires will be removed. All travel within the division, flagging, notification, cut surface treatment herbicide and brush disposal included.				

## NYSEG T&M: Labor, Equipment, Herbicide Pricing

**Bidder:** [REDACTED]

**Note:**

- T&M Rates will apply for both Distribution & Transmission work.
- the billing rate for a bucket truck is to include all chain saws necessary to complete work, pruners, wiz saws, pruner poles, ropes, climbing gear, lights, and OHSA required safety equipment.

Code #	Code Description	2020 \$ Price	2021 \$ Price	2022 \$ Price
EQ03	ATV 4x4			
EQ08	ATV with sprayer			
EQ09	Bulldozer JD650			
EQ13	Sprayer Skidder			
EQ14	Sprayer Bombardier			
EQ20	Truck PU 4WD CrewCab			
EQ22	Truck 4x4 1 ton			
EQ23	Truck Rollback			
EQ24	Truck Spray			
EQ27	Bombardier/Bucket 60'			
EQ44	60' Bucket Truck			
EQ46	55' Bucket Truck			
EQ50	70' Bucket			
EQ52	BomdardierBucket 50'			
EQ53	Low Boy & Tractor			
EQ54	SkidderBucket 60/70			
EQ57	Truck PU 2WD			
EQ58	Truck PU 4WD			
EQ62	Truck Split Dump			
EQ63	Truck Nurse			
EQ64	Truck Flatbed			
EQ65	Truck Dump SingleAxe			
EQ66	Truck Dump DoubleAxe			
EQ68	Chipper Drum			
EQ69	Chipper Disc			
EQ72	Chainsaw			
EQ73	Brush Saw			
EQ74	Skidder/Bucket 50'			
EQ75	Hydroaxe/Kershaw			
EQ76	Skidsteer Mower			
EQ78	Timbco tree harvester			
EQ82	Bulldozer(JD450)			
EQ83	Bulldozer(JD550)			
EQ85	4x4 Tractor w/brown mower			
EQ87	4x4 Hi-Floation Aerial Truck			
EQ88	Sprayer Mistblower			
EQ89	Sprayer Backpack			
EQ91	Excavator w/ Grapple			
EQ92	EQ Trailer			
EQ93	TrackedBandit WholeTreeChipper			
EQ94	Snowmobile			
EQ95	SkyTrimmer MechTrimmer			
EQ96	Tracked Excavator			
EQ97	FlexTrack w Dumpbox			
EQ98	Prentice Loader			

EQ117	Mini Foot
EQ118	Rear Lot Lift
LS1	General Foreman
LT2	General Foreman OT
LT3B	General Foreman DT
LS4	Foreman A
LT5	Foreman A OT
LT6B	Foreman A DT
LS7	Foreman B
LT8	Foreman B OT
LT9B	Foreman B DT
LS10	JourneymanTreeman
LT11	JourneymanTreeman OT
LT12B	JourneymanTreeman DT
LS13	TreeTrainee 3rdyr
LT14	TreeTrainee 3rdyr OT
LT15B	TreeTrainee 3rdyr DT
LS16	TreeTrainee 2ndyr
LT17	TreeTrainee 2ndyr OT
LT18B	TreeTrainee 2ndyr DT
LS19	Tree Trainee
LT20	Tree Trainee OT
LT21B	Tree Trainee DT
LS22	Equip Operator
LT23	Equip Operator OT
LT24B	Equip Operator DT
LS25	Mechanic
LT26	Mechanic OT
LT27B	Mechanic DT
LS28	Tree Truck Driver
LT29	Tree Truck Driver OT
LT30B	Tree Truck Driver DT
LS31	IGM
LT32	IGM OT
LT33B	IGM DT
LS34	Flag Person
LT35	Flag Person OT
LT36B	Flag Person DT
HE 400	Garlon 4 Ultra
HE 401	Garlon 4 Ultra, Stalker
HE 402	Garlon, Escort
HE 403	Garlon, Tordon K
HE 500	Krenite
HE 501	Krenite, Arsenal, Escort LVF
HE 502	Krenite, Arsenal, Escort SF
HE 503	Krenite, Escort
HE 600	Pathway
HE 700	Rodeo LVF
HE 701	Rodeo SF

HE 702	Rodeo ST	
HE 703	Rodeo, Arsenal LVF	
HE 704	Rodeo, Arsenal SF	
HE 705	Rodeo, Arsenal ST	
HE 706	Rodeo, Arsenal, Escort SF	
HE 708	Rodeo, Escort LVF	
HE 709	Rodeo, Escort SF	

2020-2022 Herbicide Unit Rates for NYSEG							
Bidder Name: [REDACTED]							
Formul a	Treatmen t Method	Minimum Quantities of Active Ingredient	Quantity of Concentrate	Type and Quantity of Carrier	2020 Unit Rate	2021 Unit Rate	2022 Unit Rate
HE 400	Basal & ST	4 lbs. Triclopyr	1 gal. Garlon 4 Ultra	3 gallons of an approved mineral oil diluent that is labeled for this purpose			
HE 401	Basal & ST	3 lbs. Triclopyr .25 lbs. Imazapyr	3 qt. Garlon 4 Ultra 16 oz. Stalker	3 gallons of an approved mineral oil diluent that is labeled for this purpose			
HE 705	ST	1.6 lbs. Glyphosate .08 lbs. Imazapyr	38 oz. Rodeo Concentrate 5 oz. Arsenal	85 oz. water 0.64 oz. Milliken or Exacto blue dye			
HE 600	ST	1 lb. 2,4-D 0.25 lb. Picloram	1 gal. Pathway	Undiluted			
HE 702	ST	2 lbs. Glyphosate	0.5 gal. Rodeo Concentrate	0.5 gal. water 0.64 oz. Milliken or Exacto blue dye			

## **TREATMENT OF CIRCUITS NOT INCLUDED IN THE AWARD, FOR WHICH PRICING WAS RECEIVED**

Due to budgetary limits, the Company could not award all the Lump Sum circuits for which the Supplier submitted pricing for the divisions for which the Supplier was awarded. However it is possible that sometime during this contract period, additional funding may become available, or that due to emerging issues the Company will need to swap out circuits included in the award for those for which pricing was received, but the circuit was not included in the award. Given these possibilities, the Supplier will hold its Lump Sum pricing firm for those circuits for which pricing was received but are not included in the award. If there is a desire by the Company to add Lump Sum circuits or swap out Lump Sum circuits, over the period of the award, the Company and Supplier will work together on scheduling these changes in a way that does not harm either party.

## **SCHEDULE E**

### **Special Conditions**

#### **Performance Measurements**

Company and Supplier agree to the performance measurements listed below. If the Supplier fails to meet any objective within any of the 5 performance measures, 20% of annual escalation adjustments will be deducted for each of 5 objectives which are not met. Each performance measure presents a risk of 20% of the total escalation adjustment. In years where no escalation is required due to contract structure each performance measure will carry a potential annual fine of \$5,000 per category 1, 2, 4, and 5 and \$10,000 per category 3. Distribution and Transmission work penalties will be calculated separately.

#### **1. Customer Satisfaction**

(a) Customer complaints will be at or below 3 complaints per million dollars spent annually. Qualifying complaints will be for work not done to specification, damage to property, or if crew behavior is problematic. Complaints will be reviewed by the Company and Supplier. All complaints shall be resolved or have a resolution plan in place before final lump sum payment made for each calendar year.

Supplier will be the first point of contact for all customer inquires and complaints. All complaints must be verbally reported to Company representative immediately and in a written format within two (2) business days.

(b) Supplier will respond to customer damage complaints within two (2) business days and provide a resolution plan to Company representative within one (1) week.

(c) Supplier will have three (3) business days to start capital jobs, and availability of Supplier's crews should not be a limiting factor in the achievement of the Company's construction schedules.

#### **2. Adherence to Specifications**

(a) Supplier will adhere to technical specifications for all work on Company's distribution and transmission system. Any rework will be done at the Supplier's expense. Rework not to exceed 10% calculated on a quarterly basis. If any circuit has too many spans requiring rework, the rework will not be entered into the system. Immediate communication will be initiated between Company and Supplier management. The second occurrence of unsatisfactory work will result in mandatory field review at the management level. Third occurrence will result in monetary liquidated damages in accordance with dollar references noted above. For lump sum work, final payment will be released when rework is complete. All rework will be tracked by Company and Supplier. All rework initiated by the arborists will be forwarded to the Supplier via paper or electronic copy for completion. All work must meet Company specifications regardless of the date audited. All work will be audited in timely manner, Supplier may request a meeting to review audit schedule. Any disputed rework will be resolved at meetings between Company and Supplier managers. Upon completion of

distribution circuit work, contract supervisor will submit the Circuit Signoff-sheet to Company Representative. For transmission, see Specification FOR 2016.

(b) For instances where a power interruption impacting more than 500 customers occurs during non-storm conditions or when wind speeds are less than 20 miles per hour, on a circuit for which the sign off sheet was executed within the previous 12 months, and the outage was the result of limbs ( does not include off right of way trees that fall into the wires) the contractor will be required to perform remedial tree work in the span where the contact was identified, as directed by a Company Arborist.

The definition of storm is any weather event when the Company is working under a storm emergency or if the wind speed exceeded 20 miles per hour. Exceptions to this definition maybe made only after consulting with the Manager of Vegetation Management- Distribution, or the Program Manager -Vegetation Management Operations.

Each instance shall be investigated by the Company arborist, and Supplier supervisor.

### **3. Timely completion of work**

(a) Supplier will have appropriate crews dispatched within one (1) hour of the initial call for storm restoration. Dispatched is defined as crew has left location where truck is based.

(b) For transmission and distribution foliar work, Herbicide treatment shall be completed during the growing season while the foliage is fully developed and still has its normal green color and vigor, approximately from mid June to September 1. If the Company feels that work will not be completed additional resources will be brought in at the Supplier's expense.

(c) Work allocated in the maintenance plan process will be completed in the year in which it is awarded. Liquidated damages and adjustments are set forth in the Maintenance Work Adjustment section below.

(d) In January, Supplier will provide a mileage milestone plan for each Division they have been awarded work. Targets as listed:

1. 25% completed by end of first quarter
2. 50 % completed by end of second quarter
3. 75% to be completed by end of third quarter
4. 100% of spans to be completed by December 14
5. All rework must be completed by December 31 ( rework for work completed in December maybe done in January of the following year)

The above completion requirements will not apply to work for 2020 fiscal year due to the timing of contract completion and award unless mutually agreed in the schedule.

- (e) Supplier shall be responsible for transmitting accurate information on the Company provided electronic weekly timesheets. Required corrections in excess of 10% of the timesheets will be subject to liquidated damages.

#### **4. Crew caused outages**

Preventable crew caused outages shall be minimized, and will be tracked using a point system. Contractors' outage threshold may total 1 point or less per \$2 million spent annually. Outages affecting more than 500 customers = 2 points; 500 or less customers = 1 point; and service cable =  $\frac{1}{2}$  point. (For example, if a contractor spends \$6 million in 1 year in T and D, outages may not exceed 3 points for that year: 1 outage of 500 customers + 1 outage of less than 500 customers = 3 points). The Company and Supplier managers will jointly review each crew caused outage. \$2 million increase or decrease of total work, one (1) point will be added to the above target. Outages reported will be reviewed by Company and Supplier to evaluate the cause. Work to include transmission, distribution, and capital work.

#### **5. Safety**

Accidents will not exceed three (3) (base is \$5 million annually) in any one year for 2020-2021. Company and Supplier will jointly review each reportable accident. For each \$2 million increase or decrease of total work, one (1) reportable accident will be added or deducted from the above target. The base will include transmission, distribution, capital, hot spot, danger tree work and storm. (Definition: any electric contact, an overnight hospital stay, 3 days lost time, motor vehicle accidents with injuries, events that result in media attention, or any other serious incident.)

#### **Accident and Outage Reporting**

All Supplier accidents and crew outages will be reported to Company immediately with additional written follow-up including the investigation report and lessons learned within 48 hours.

#### **Maintenance Work Adjustments**

Both parties will agree on the maintenance work to be completed in a given calendar year.

With the exception of work agreed to for the first 3 months of 2023, all agreed upon maintenance work assigned in a given calendar year will be completed before December 31<sup>st</sup> and the rework by December 31<sup>st</sup> of that year. Rework assigned after December 1<sup>st</sup> maybe completed in January. For work agreed to for the period 1/1/2023 – 3/30/2023, the work must be completed by 3/30/2023, with any rework completed by 4/30/2023. Any distribution circuit that is not completed by the scheduled deadline will be assigned a liquidated damage amount determined by multiplying \$3,000 per calendar day. The liquidated damages will be charged at this rate for each day the work is not complete, including rework. If Supplier is used for restoration work, extensions may be allowed for each day working for Company Affiliates. Extensions will not be granted for storms occurring before October 1<sup>st</sup>. All extensions must be approved, in writing, by the Company.

### **Service Center Liquidated Damages**

If Supplier defaults on any Service Center or Division, Supplier agrees that the Company will invoice the Supplier the incremental cost incurred to complete the work for the duration of this contract. The base pricing will be determined using Schedule D.

## **SCHEDULE F**

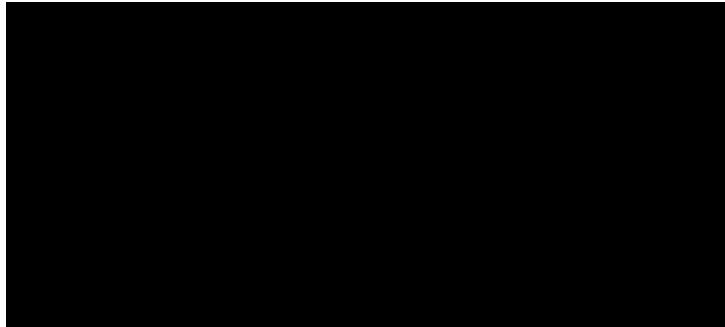
### **Notices**

Along with all other correspondence requirements included in this Master Agreement, any notice, request, approval or other document required or permitted to be given under this Master Agreement shall be in writing and shall be deemed to have been sufficiently given when delivered in person or deposited in the U.S. Mail, postage prepaid, addressed as specified herein or to such other address or addresses as may be specified from time to time in a written notice given by such party. The parties shall acknowledge in writing the receipt of any such notice delivered in person.

All communications to **Customer** shall be directed to:

Contract Administration  
89 East Avenue, 4<sup>th</sup> Floor  
Rochester, NY 14649  
Fax: 585-771-2820

All communications to **Supplier** shall be directed to:



**SCHEDULE G****T&M Crew Headquarters Listing****NYSEG****Binghamton:**

Binghamton	Cincinnatus
Owego	Afton

**Ithaca:**

Ithaca	Candor
Trumansburg	

**Lancaster**

Lancaster	Hamburg	Gowanda
Lockport	East Aurora	Randolph

**Hornell**

Hornell	Dansville
Perry	

**Brewster**

Brewster	Bedford
Pawling	Mahopac

**Mechanicville**

Chatham.	Stephentown
Clifton Park	Granville

**Liberty**

Liberty	Middleton	Monticello
Roscoe	Ellenville	

**Plattsburgh**

Peru	Wilmington	Lewis
Dannemora	Long Lake	Ellenburgh

**Auburn**

Auburn	Cayuga	Skaneateles
Locke	Aurora	

**Geneva**

Geneva	Penn Yan
Waterloo	Romulus

**Elmira**

Hammondsport	Horseheads
Corning	Bath

**Oneonta**

Oneonta  
Walton  
Stamford

Norwich  
Deposit  
Cooperstown

Waterville  
Fleischmanns

## **SCHEDULE H**

### **Insurance Requirements**

Before commencing Services, the Supplier shall procure and maintain at its own expense for a period of two years beyond completion of the Services, the insurance types, limits, terms, and conditions listed in Section 1 below. The amounts as specified are minimums only. The actual amounts above the minimums shall be determined by the Supplier. In addition, for any Services that are authorized to be subcontracted, the supplier shall require each subcontractor to procure and maintain all insurance as outlined in section one.

**IF YOU DO NOT HAVE A CURRENT CERTIFICATE ON FILE WITH AVANGRID** prior to commencement of Services, Certificates of Insurance evidencing supplier's and/or subcontractor's possession of insurance as outlined in Section 1 shall be filed with Avangrid for its review.

Certificates of Insurance should be mailed to the Procurement Department at the following address:

**Procurement Department/ Insurance Cert.  
89 East Avenue  
Rochester, NY 14649-0001**

#### **1. Required Insurance Coverage's and Minimum Amounts**

Each insurance policy shall be placed with an insurance company licensed to write insurance in the State where the Services are to be performed and shall have an A.M. Best's Rating of not less than "B+" and a policyholder surplus of at least \$25,000,000.

Each insurance policy, except Workers' Compensation and Employers' Liability, shall be endorsed to add Customer as an additional insured. All insurance where Customer is an additional insured must contain provisions which state that the policy will respond to claims or suits by Customer against the Supplier/Consultant/ Labor supplier/etc. In addition, Customer should be notified of any reduction in the aggregate policy limits required herein.

Each policy shall be endorsed to provide a minimum of thirty (30) days prior written notice of cancellation, intent not to renew, or material change in coverage.

Each policy shall be endorsed to provide a breach of warranty clause.

In the event Supplier and/or Subcontractor has a policy(ies) written on a "claims-made" basis, such insurance shall provide for a retroactive date not later than the commencement of Services under this agreement.

All of the insurance required hereunder will be primary to any or all other insurance coverage in effect for Customer.

1.1 Workers' Compensation and Employers' Liability Insurance in accordance with the statutory requirements of the State of New York. For Services that are conducted outside of New York State, the minimum limit for Employers' Liability Insurance should be \$500,000 each accident, \$500,000 disease-policy limit, \$500,000 disease-each employee.

1.2 Automobile Liability insuring any auto, all owned autos, hired autos, and non-owned autos with a bodily injury and property damage combined single limit of \$5,000,000 per occurrence.

1.3 General Liability (Comprehensive or Commercial Form), including coverage for Premises/Operations, Underground/ Explosion & Collapse Hazard, Products/Completed Operations, Contractual Liability specifically insuring the attached Indemnity Agreement, Independent Contractors, Broad Form Property Damage, and Personal Injury, in the amount of \$5,000,000 per occurrence and \$5,000,000 aggregate.

The amount of insurance may be satisfied by purchasing primary coverage in the minimum (or greater) amounts specified or by purchasing a separate excess Umbrella Liability policy together with lower limit primary coverage.

Each General and/or Umbrella Liability Insurance policy shall be endorsed with the following Cross Liability clause: In the event of claims being made by reason of personal and/or bodily injuries suffered by any employee or employees of one insured hereunder for which another insured hereunder is or may be liable, then this policy shall cover such insured against whom a claim is made or may be made in the same manner as if separate policies had been issued to each insured hereunder, except with respect to limits of insurance. In the event of claims being made by reason of damage to property belonging to any insured hereunder for which another insured is or may be liable, then this policy shall cover such insured against whom a claim is made or may be made in the same manner as if separate policies had been issued to each insured hereunder, except with respect to the limits of insurance.

None of the requirements contained herein as to types, limits and approval of insurance coverage to be maintained by Supplier or Subcontractors are intended to, nor shall they in any manner limit or qualify the liabilities and obligations assumed by Supplier or Subcontractor under this agreement.

## **SCHEDULE I**

### **Data Security Rider**

#### **1.1. Privacy and Data Security.**

(a) To the extent that [REDACTED] (sometimes hereinafter referred to as “VENDOR”) is regularly afforded access in any way to “Personal Data” or “Company Data” as defined below, this Rider shall apply with respect to Personal Data and Company Data.

(b) The following definitions are relevant to this Rider:

(c) “Personal Data” means any information that can be used to identify, locate, or contact an individual, including an employee, customer, or potential customer of Avangrid, including, without limitation: (A) first and last name; (B) home or other physical address; (C) telephone number; (D) email address or online identifier associated with an individual; (E) “Sensitive Data” as defined below; (F) ZIP codes; (G) employment, financial or health information; or (H) any other information relating to an individual, including cookie information and usage and traffic data or profiles, that is combined with any of the foregoing.

(d) “Sensitive Data” is that subset of Personal Data, including Social Security number, passport number, driver’s license number, or similar identifier, or credit or debit card number, whose unauthorized disclosure or use could reasonably entail enhanced potential risk for the data subject.

(e) “Customer Data” means any information that relates to the operation or functionality of plants, factories, networks, or grids of the Customer or to which the Customer has access, including, without limitation, Critical Infrastructure Information and internal financial information.

(f) “Critical Infrastructure Information” means engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure (physical or virtual) that (A) relates details about the production, generation, transmission, or distribution of energy; (B) could be useful to a person planning an attack on critical infrastructure; (C) is exempt from mandatory disclosure under the Freedom of Information Act; and (D) gives strategic information beyond the location of the critical infrastructure.

(g) “Processing” (including its cognate, “process”) means any operation, action, error, omission, negligent act, or set of operations, actions, errors, omissions, or negligent acts that is performed upon Personal Data or Customer Data, whether or not by automatic means, including, without limitation, collection, recording, organization, storage, access, adaptation, alteration, retrieval, consultation, use, disclosure, dissemination, exfiltration, taking, removing, copying, making available, alignment, combination, blocking, deletion, erasure, or destruction.

(vi) **“Data Security Breach”** means: (A) the loss or misuse (by any means) of Personal Data or Customer Data; (B) the inadvertent, unauthorized and/or unlawful Processing, corruption, modification, transfer, sale or rental of Personal Data or Customer Data; or (C) any other act or omission that compromises the security, confidentiality, or integrity of Personal Data or Customer Data.

(i) **“Technical and Organizational Security Measures”** means security measures, consistent with the type of Personal Data or Customer Data being Processed and the services being provided by VENDOR, to protect Personal Data or Customer Data, which measures shall implement industry accepted protections which may include physical, electronic and procedural safeguards to protect the Personal Data or Customer Data supplied to VENDOR against any Data Security Breach, and any security requirements, obligations, specifications or event reporting procedures set forth in any Schedule to this Agreement. As part of such security measures, VENDOR shall provide a reasonably secure environment for all Personal Data and Customer Data and any hardware and software (including servers, network, and data components) to be provided or used by VENDOR as part of its performance under this Agreement on which Personal Data and Customer Data is contained to the extent the same are located on VENDOR’s premises.

(ii) **“Losses”** shall mean all losses, liabilities, damages, and claims and all related or resulting costs and expenses (including, without limitation, reasonable attorneys’ fees and disbursements and costs of investigation, litigation, settlement, judgment, interest and penalties).

(c) Personal Data and Customer Data shall at all times remain the sole property of Customer, and nothing in this Agreement will be interpreted or construed as granting VENDOR any license or other right under any patent, copyright, trademark, trade secret, or other proprietary right to Personal Data and Customer Data.

(a) VENDOR shall not use independent contractors or provide Personal Data or Customer Data to independent contractors or other personnel that are not full-time employees of VENDOR without Customer’s prior written approval before doing so.

(b) VENDOR shall Process Personal Data and Customer Data only on the instruction of Customer and in accordance with this Agreement and privacy and security laws applicable to VENDOR’s services or VENDOR’s possession or Processing of Personal Data and\or Customer. Customer hereby instructs VENDOR, and VENDOR hereby agrees, to Process Personal Data or Customer Data as necessary to perform VENDOR’s obligations under this Agreement and for no other purpose.

(c) VENDOR shall not create or maintain data which are derivative of Personal Data or Customer Data except for the purpose of performing its obligations under this Agreement and as authorized by Customer.

(g) As a condition to starting work, VENDOR's employees shall acknowledge in writing their agreement to comply with the terms of the Customer's Acceptable Use Requirements set forth in **Attachment C** hereto, as such Acceptable Use Requirements may be modified or supplemented from time-to-time upon notice from the Customer.

(d) At any and all times during which VENDOR is Processing Personal Data or Customer Data, VENDOR shall:

(a) Comply with all applicable privacy and security laws to which it is subject, and not, by act or omission, place Customer in violation of any privacy or security law known by VENDOR to be applicable to Customer;

(ii) Have in place appropriate and reasonable Technical and Organizational Security Measures to protect the security of Personal Data and Customer Data and prevent a Data Security Breach, including, without limitation, a breach resulting from or arising out of VENDOR's internal use, Processing or other transmission of Personal Data and Customer Data, whether between or among VENDOR's subsidiaries and affiliates or any other person or entity acting on behalf of VENDOR;

(i) Safely secure or encrypt all Sensitive Data and Customer Data during storage or transmission;

(ii) Except as may be necessary in connection with providing Support Services (and provided that immediately upon the need for such Personal Data and Customer Data ceasing, such Personal Data is immediately destroyed or erased), not use or maintain any Personal Data or Customer Data on a laptop, hard drive, USB key, flash drive, removable memory card, smartphone, or other portable device or unit;

(iii) Notify Customer no later than one (1) day from the date of obtaining actual knowledge of any Data Security Breach and, at VENDOR's cost and expense, assist and cooperate with Customer concerning any disclosures to affected parties and other remedial measures as requested by Customer or required under applicable law;

(iv) Not permit any officer, director, employee, agent, other representative, subsidiary, affiliate, independent contractor, or any other person or entity acting on behalf of VENDOR to Process Personal Data or Customer Data unless such Processing is in compliance with this Agreement and is necessary in order to carry out VENDOR's obligations under this Agreement;

(v) Not disclose Personal Data or Customer Data to any third party (including, without limitation, VENDOR's subsidiaries and affiliates and any person or entity acting on behalf of VENDOR) unless with respect to each such disclosure: (A) the disclosure is necessary in order to carry out VENDOR's obligations under this Agreement; (B) such third party is bound by the same provisions and obligations set forth in this Agreement; (C) VENDOR has received

Customer's prior written consent; and (D) VENDOR shall remain responsible for any breach of the obligations set forth in this Agreement to the same extent as if VENDOR caused such breach; and

(viii) Establish policies and procedures to provide all reasonable and prompt assistance to Customer in responding to any and all requests, complaints, or other communications received from any individual who is or may be the subject of any Personal Data or Customer Data Processed by VENDOR to the extent such request, complaint or other communication relates to VENDOR's Processing of such Personal Data.

(iii) Establish policies and procedures to provide all reasonable and prompt assistance to Customer in responding to any and all requests, complaints, or other communications received from any individual, government, government agency, regulatory authority, or other entity that is or may have an interest in the Personal Data or Customer Data, exfiltration of Personal Data or Customer Data, disclosure of Personal Data or Customer Data, or misuse of Personal Data or Customer Data to the extent such request, complaint or other communication relates to VENDOR's Processing of such Personal Data or Customer Data.

(iv) Not transfer any Personal Data or Customer Data across a country border, unless directed to do so in writing by Customer, and VENDOR agrees that Customer is solely responsible for determining that any transfer of Personal Data or Customer Data across a country border under this Contract complies with the applicable data protection laws and this Contract.

(i) At the time of the signing of this agreement, and at the time of any Customer request, VENDOR shall provide evidence that it has established and maintains Technical and Organizational Security Measures governing the Processing of Personal Data and Customer Data appropriate to the Processing and the nature of the Personal Data and Customer Data to be protected. To the extent VENDOR maintains Personal Data and Customer Data at its location, Customer shall have the right to review (with reasonable notice to VENDOR) of VENDOR's policies and procedures for security protocols, and VENDOR agrees to cooperate with Customer regarding such review; provided, any such review shall be conducted during normal business hours and in a manner so as to minimize any disruptions to VENDOR's operations.

(e) VENDOR shall return, delete, or destroy, or cause or arrange for the return, deletion, or destruction of, all Personal Data and Customer Data subject to this Agreement, including all originals and copies of such Personal Data and Customer Data in any medium and any materials derived from or incorporating such Personal Data and Customer Data, upon the expiration or earlier termination of this Agreement, or when there is no longer any legitimate business need (as determined by Customer) to retain such Personal Data and Customer Data, or otherwise on the instruction of Customer, but in no event later than ten (10) days from the date of such expiration, earlier termination, expiration of the legitimate business need, or instruction. If applicable law prevents or precludes the return or destruction of any Personal Data or Customer Data, VENDOR shall notify Customer of such reason for not returning or destroying such

Personal Data and Customer Data and shall not Process such Personal Data and Customer Data thereafter without Customer's express prior written consent. VENDOR's obligations under this Agreement to protect the security of Personal Data and Customer Data shall survive termination of this Agreement.

(k) To the extent that VENDOR is afforded regular access in any way to "Cardholder Data" as defined below and for so long as it has such access, the following requirements shall apply with respect to the Cardholder Data; provided, that the parties do not anticipate that VENDOR will have access to any Cardholder Data:

(vi) VENDOR represents that it is presently in compliance, and will remain in compliance with the Payment Card Industry Data Security Standard ("PCI Standard"), and all updates to PCI Standard, developed and published jointly by American Express, Discover, MasterCard and Visa ("Payment Card Brands") for protecting individual credit and debit card account numbers ("Cardholder Data").

(vii) VENDOR acknowledges that Cardholder Data is owned exclusively by CUSTOMER, credit card issuers, the relevant Payment Card Brand, and entities licensed to process credit and debit card transactions on behalf of Customer, and further acknowledges that such Cardholder Data may be used solely to assist the foregoing parties in completing a transaction, supporting a loyalty program, providing fraud control services, or for other uses specifically required by law, the operating regulations of the Payment Card Brands, or this Agreement.

(viii) To the extent Cardholder Data is regularly maintained on the premises or property of VENDOR, VENDOR shall maintain a business continuity plan addressing the possibility of a potential disruption of service, disaster, failure or interruption of its ordinary business process, which business continuity plan provides for appropriate back-up facilities to ensure VENDOR can continue to fulfill its obligations under this Agreement.

(ix) VENDOR agrees that, in the event of a Data Security Breach arising out of or relating to VENDOR's premises or equipment contained thereon, VENDOR shall afford full cooperation and access to VENDOR's premises, books, logs and records by a designee of the Payment Card Brands to the extent necessary to perform a thorough security review and to validate VENDOR's compliance with the PCI Standards; provided, that such access that be provided during regular business hours and in such a manner so as to minimize the disruption of VENDOR's operations.

(l) To the extent VENDOR is provided regular access to Personal Data, Customer Data, or Cardholder Data, VENDOR represents that the security measures it takes in performance of its obligations under this Agreement are, and will at all times remain, at the highest of the following (collectively referred to herein as "Security Best Practices"): (a) Privacy & IT Security Best Practices (as defined by ISO 27001/27002); and (b) any security

requirements, obligations, specifications, or event reporting procedures set forth in Attachment A.

(m) In addition to any other insurance required to be provided by VENDOR hereunder, VENDOR shall also provide the Cyber-Insurance coverage meeting the requirements specified in ***Attachment B***, attached hereto and made part hereof. Vendor shall also comply with the terms and conditions in ***Attachment B*** as they relate to any insurance required to be provided by VENDOR pursuant to this Agreement.

(h) Notwithstanding anything in the Agreement to the contrary, VENDOR shall indemnify, defend and hold Customer harmless from and against all Losses suffered or sustained by the Customer, its affiliates, and their respective employees, officers, representatives, or contractors, or by any third party or entity, caused by, resulting from, or attributable to VENDOR's breach or violation of any of the terms and conditions of this Data Security Rider. VENDOR's obligations to indemnify, defend, and hold Customer harmless shall survive termination or expiration of the Agreement.

(i) Failure by VENDOR to comply with any requirement of this section shall constitute a material breach of the contract.

**Attachment A**

**Specific Security Requirements or Procedures**

[To Be Developed By Project as Needed]

## **Attachment B**

### **Cyber-Insurance Requirements**

(a) Vendor shall during the term of this Agreement have and maintain the following insurance coverage:

(i) Cyber Errors and Omissions Policy providing coverage, on a per occurrence basis, for acts, errors, omissions, and negligence of employees giving rise to potential liability, financial and other losses relating to data security and privacy, including cost of defense and settlement, in an amount of at least \$10 million dollars, which policy shall include coverage for all costs or risks associated with (Vendor is responsible for ensuring that any subcontractors they hire to perform work under this contract complies with these same requirements):

- (1) violations of data privacy or data security laws and regulations; and
- (2) cyber risks, including denial-of-service attacks, risks associated with malware and malicious code, whether designed to interrupt a network or provide access to private or confidential information; and
- (3) and other risks specific to the work performed by Vendor as shall be identified by Customer.

(ii) Such coverage shall be furnished by an insurance company with an A.M. Best Financial Strength Rating of A- or better, and which is otherwise reasonably acceptable to Customer.

(b) The Vendor (as named insured) shall pay any deductible, self-insured retention, or retrospective premium with respect to any claim or occurrence made under any of the insurance policies or coverage to be provided by the Vendor pursuant to this Agreement. Vendor's failure to pay the applicable deductible, self-insured retention, or retrospective premium shall constitute a material breach of this Agreement, with damages equal to at least the amount of insurance lost or not provided due to such breach.

## **Attachment C**

### **Acceptable Use Requirements**

#### **Requirements**

##### **1.0 Electronic Resources**

- 1.1 Third Party Workers shall be responsible for the appropriate use and security of information (data) when using any Customer electronic resource.
  - a. Appropriate use shall include using authorized Customer electronic resources as intended by Customer in accordance with duties and responsibilities.
  - b. Using Customer electronic resources in violation of these requirements, or any negligent or unlawful activity shall be considered inappropriate use.
- 1.2 Within each Customer business area and/or department the determining authority and responsibility for issuance of an electronic resource shall rest with the Business Area Leader, department/ hiring manager and, in some instances, the Information Technology department (ex: laptops).
- 1.3 Third Party Workers shall be prohibited from introducing any unauthorized electronic resources or software into the Customer environment, including without limitation any electronic resources or software that could disrupt any operations or compromise security.
- 1.4 Third Party Workers shall not store Customer owned information/data on devices that are not issued by Customer unless explicitly and contractually agreed by both parties.
- 1.5 Customer electronic resources shall be protected from misuse, including, but not limited to: theft, unauthorized access, fraudulent manipulation and alteration of data, attempts to circumvent security controls, and any activity that could compromise the confidentiality, integrity, or availability of information (data).
- 1.6 Third Party Workers shall immediately report lost, compromised, or stolen electronic Customer resources to the IT Service Desk and their Customer department manager.

- 1.7 Any Customer electronic resources assigned to or in the possession of a Third Party Worker shall be returned to a designated individual within his/her Customer department when it is determined by department management that the use of those resources is no longer necessary or upon completion of the engagement for which this device was provided.
- 1.8 Authorized Third Party Workers may remotely access the Customer IT managed corporate network utilizing only approved hardware, software and access control standards.
  - a. Remote access requests shall be approved by management and are restricted to computing resources that authorized users require to perform their job responsibilities.
- 1.9 Third Party Workers shall not share or disclose their Customer credentials (log on ids and/or passwords) with others.

## **2.0 Electronic Messaging**

- 2.1 Conducting Customer business that results in the storage of Customer owned information/data on personal or non- Customer controlled environments, including devices maintained by a third-party with whom Customer does not have a contractual agreement shall be prohibited.
- 2.2 All information created, sent, or received via Customer's e-mail system(s), network(s), internet or intranet, including all e-mail messages and electronic files shall be the property of Customer.
- 2.3 Third Party Workers shall:
  - a. Use caution to ensure that the correct e-mail address is used for the intended recipient(s) (e.g., with the use of auto fill, reply all, etc.).
    - i. Forging, misrepresenting, obscuring, suppressing, or replacing a user identity on any Customer electronic communication to mislead the recipient about the identity of the sender shall be prohibited.
  - b. Not send spam via e-mail, text messages, pages, instant messages, voice mail or other forms of electronic communication.

- c. Posting to a public newsgroup, bulletin board, blog, listserv with an Customer e-mail or IP address is strictly prohibited.
- d. Avoid Representing or appearing to represent the opinions of Customer is prohibited unless appropriately authorized to do so.

2.4 Customer's electronic messaging is intended to support legitimate business requirements. Limited use of Customer electronic messaging facilities for personal purposes shall be regarded as acceptable provided that:

- a. Messages are not used for private business or other commercial purposes, including the sale or purchase of goods or services, or engaging with other clients.
- b. Use does not interfere with the normal performance of workers' duties,
- c. There is no breach of the prohibitions identified in these requirements,
- d. Messaging does not violate applicable laws, regulations, the Code of Ethics, or Customer policies.

2.5 Customer's electronic messaging shall not be used for transmitting, retrieving or storing any messages, files or attachments which constitute:

- a. Harassing or unwanted messages (including insults and 'jokes'), including offensive messages which relate to gender, race, sexual orientation, religion, disability or other similar subject matter.
- b. Defamatory messages which adversely affect the reputation of a person or company.
- c. Messages that violate copyright, trademark, or other intellectual property rights of another party.
- d. Obscene materials of an offensive or sexual nature.
- e. Offensive material that might reasonably be expected to cause distress or other personal offense to the recipient.
- f. Messages in violation of applicable laws, regulations, the Code of Ethics, or Customer policies.

2.6 Third Party Workers shall not disclose their passwords to others or permit others to use their e-mail accounts.

2.7 Third Party Workers shall never assume the privacy or confidentiality of electronic messages.

- e. This includes information (data) protected by local, national or international security and privacy regulations and standards as well as data protected by confidentiality agreements.
- f. Third Party Workers shall restrict transmission of such protected information to the extent feasible and utilize security procedures made available by Customer, and in accordance with contractual agreements.

### **3.0 Wireless Communications**

- 3.1 All wireless infrastructure devices that reside at Customer sites and connect to an Customer network, or provides access to sensitive or confidential information shall:
  - a. Be installed, supported and maintained by Iberdrola or its designee
  - b. Use Customer approved authentication protocols, infrastructure, and encryption protocols
  - c. Maintain a hardware address that can be registered and tracked
- 3.2 Under no circumstances are unauthorized wireless communication devices allowed to directly connect to the internal Customer corporate network.
- 3.3 Internet access through wireless technology (hotspots) not belonging to Customer shall only be used if contractually agreed by Customer and the Third Party Worker.

### **4.0 BYOD (Bring Your Own Device)**

- 4.1 Customer does not support the use of personally owned devices (POD)<sup>1</sup> by Third Party Workers to perform business functions, except:

<sup>1</sup> PODs are information and communications technology devices (e.g. smart phones, lap tops) owned by employees or by third parties (such as suppliers, consultants and maintenance contractors).

- a. Short term engagements for professional services or consulting services where Third Party Workers will use third party owned equipment in the performance of contractually agreed upon duties, tasks and deliverables.

## 5.0 End Point Data Storage Devices

- 5.1 **Customer** does not recommend the use of third party or user -owned End Point Data Storage Devices (EPSD) due to security risks. In the event that an EPSD is required, the **Customer** Corporate Security Office shall distribute an approved device upon receipt of an approved ITSM request (Rider A – Acceptable Use End Point Storage Device)
  - a. It is expected that Third Party Workers engaged in professional services or consulting services shall utilize contractually agreed methods for file storage and sharing as their primary/preferred means for file storage.
  - b. EPSD applies to the storage of data on devices that can be connected either by a USB drive, data cable or by wireless connection direct to any computing equipment within **Customer**, e.g. USB sticks, drives, thumb nails, pen drives, flash drives.

## 6.0 Clear Desk & Screen

- 6.1 Third Party Workers shall take steps to ensure a clear desk, screen and workplace by:
  - a. Locking away business critical and/or sensitive information, e.g. on paper or on electronic storage media, when not required (or not in use), and when the office (or work space) is unoccupied.
  - b. Shredding business critical and/or sensitive documentation when no longer needed, consistent with the Company's record retention policies.
  - c. Logging off or protecting computing resources (desktops, laptops, terminals, etc.) with a screen and/or keyboard locking mechanism, controlled by a password, token or similar user authentication mechanism when unattended and when not in use.
  - d. Using photocopiers and other reproduction technology (e.g. scanners, digital cameras) only as necessary and authorized to do so.

- e. Removing materials containing business critical, sensitive or classified information from printers, fax machines, copier rooms, and conference/meeting rooms immediately.

## **7.0 Monitoring**

- 7.1 Customer reserves the right to use monitoring controls, including software, to ensure compliance with this Acceptable Use Requirements document. Customer may record and/or monitor one or more Third Party Workers' Customer's owned computer and/or internet activity for any reason and without prior notice.
- 7.2 Under no circumstances is personal or third party computing equipment allowed to directly connecting to the internal Customer -IT managed corporate network, either by wired connection or via approved wireless protocol. Customer IT reserves the right to monitor and remove unauthorized connections without prior notice.

## **8.0 Return of Electronic Resources**

- 8.1 Voluntary Termination
  - a. Third Party Workers shall return all Customer electronic resources assigned to them or in their possession, to a designated individual, within twenty-four (24) hours of notice of termination or before their documented last day of work. Customer business management shall make that determination. This includes return of facility access badges.
- 8.2 Involuntary Termination
  - a. b. Third Party Workers shall return all electronic resources assigned to them or in their possession immediately upon notice of termination. This includes return of facility access badges.

## **9.0 Compliance & Reporting**

- 9.1 A violation of the Customer Acceptable Use Requirements by a temporary Third Party Worker, contractor or consultant may result in termination of their contract or assignment with Customer.

9.2 Suspected requirements violations, system intrusions, virus outbreaks and other conditions which might jeopardize Customer's information or computing resources shall be immediately reported to the IT Service Desk.

**Acknowledgement Statement - Third Party Worker On-Boarding**

By signing and dating this document I agree that I have had the opportunity to review these requirements and ask any questions regarding its content. I understand the contents of these requirements. I hereby acknowledge that I am responsible for complying with these requirements in addition to all other rules, policies, and procedures established by Customer.

## **Acceptable Use Requirements – Procedural Guidance**

The intent of this procedural guidance is to document requirements as it pertains to the Acceptable Use of Customer's Electronic Resources, Electronic Messaging, and the Internet/Intranet by Third Party Workers.

All Third Party Workers shall be required to read and acknowledge their understanding of the Customer Acceptable Use Requirements.

### **Definitions**

**Acceptable Use:** For purposes of these requirements document, acceptable use is the corporate organizational rules governing the use of electronic resources, electronic messaging, and Internet/Intranet usage.

**Electronic Resources:** computing and telecommunications devices that can execute programs or store data; examples of which may include, but are not limited to: computers, mobile computing devices, smartphones, portable wireless network access devices and storage devices (USB or otherwise connected).

**Electronic Messaging:** includes email, IM, audio-video conferencing and any other one-to-one, one-to-many, or many-to-many personal communications. (Customer e-mail system, network, or Internet/Intranet access).

**Third Party Worker:** means contract employees, employees of suppliers or contractors, employees of consultants, or any other third party worker.

Questions pertaining to the contents of the Customer Acceptable Use Requirements shall be directed, in writing, to the CSO at: [Corporate.SecurityUSA@Iberdrolausa.com](mailto:Corporate.SecurityUSA@Iberdrolausa.com) Responses shall be made in writing.

[End of Schedule I – Data Security Rider]

## **SCHEDULE J**

### **Background Check Requirements**

#### **Domestic Background Checks**

Contractor, at its expense, shall conduct a background check for each employee, agent, representative, contractor, or independent contractor (collectively, “Representatives”), as well as for the Representatives of its subcontractors, who will provide work or services to the Company or who will have access to Company computer systems, either through on-site or remote access (collectively, “Contractor Representatives”). Contractor Representatives, for the purpose of this requirement, include such temporary staff as office support, custodial service, and third party vendors used by Contractor to provide, or assist in the provision of, work or services to the Company hereunder. Contractor’s obligations with respect to required background checks shall include those obligations specified for Contractor in the Customer –Contractor Background Check Rule, as such Rule may be revised and\or supplemented from time to time, which Policy is incorporated herein and made part of this Agreement by reference (the “Rule”). Background checks are to be conducted using the Contractor’s background check vendor consistent with the process developed with the Company under this Agreement. The minimum Background Check process shall include, but not be limited to, the following checks:

- Social Security Number Verification
- Motor Vehicle Report
- Prohibited Parties Database Search\Debarment Lists
- County Criminal History Search in each county where a Contractor or Contractor Representative has resided during the seven (7) years preceding the search.
- National Sex Offender Registry.

The Background Check must be completed prior to initial access by Contractor Representative(s) and must, at minimum, meet the criteria specified in this Rule and be repeated every two (2) years for Contractor(s) and Contractor Representative(s) under continuing engagements. Any Contractor Representative who separates employment or other commercial relationship with the Contractor must undergo another Background Check prior to renewed access to the Company. The Company Department charged with managing the relationship with the Contractor hereunder (the “Company Liaison”) shall have the right to require more frequent Background Checks of Contractor Representatives or to require checks from other or additional sources than those listed above, and shall have the right to require that the Contractor furnish Background Check results to them. The Company reserves the right to audit Contractor’s Background Check process using either a third-party auditor or representatives from the Company’s Audit

Department or the Company Liaison. All Contractor Representatives are responsible to self-disclose any misdemeanor or felony conviction(s) that occur during the course of their assignment hereunder within three (3) business days of the conviction. The conviction must be reported to the Contractor and the Company Liaison. If reported first to the Contractor, the Contractor shall notify the Company Liaison and the Company Director of Security within three (3) days of learning of the conviction. If, at any time during the term of this Agreement, it is discovered that any Contractor Representative has a criminal record that includes a felony or misdemeanor conviction, the Contractor is required to inform the Company Liaison who will assess the circumstances surrounding the conviction, time frame, nature, gravity, and relevancy of the conviction to the job duties to determine whether the Contractor Representative will be placed on, or continue in, the assignment with the Company, and consistent with, and to the extent permitted by, applicable state law. The Company may withhold its consent in its sole and absolute discretion. The failure of the Contractor to comply with the terms of this provision shall constitute good cause for termination of this Agreement by the Company, in whole or in part.

## Foreign Background Checks

Contractor, at its expense, shall conduct a background check for each employee, agent, representative, contractor, or independent contractor (collectively, “Representatives”), as well as for the Representatives of its subcontractors, who will provide work or services to the Company or who will have access to Company computer systems, either through on-site or remote access (collectively, “Contractor Representatives”). Contractor Representatives, for the purpose of this requirement, include such temporary staff as office support, custodial service, and third party vendors used by Contractor to provide, or assist in the provision of, work or services to the Company hereunder. Contractor’s obligations with respect to required background checks shall include those obligations specified for Contractor in the Customer –Contractor Background Check Rule, as such Rule may be revised and\or supplemented from time to time, which Rule is incorporated herein and made part of this Agreement by reference (the “Rule”). Background checks are to be conducted using the Contractor’s background check vendor consistent with the process developed with the Company under this Agreement. The minimum Background Check process shall include, but not be limited to, the following checks:

**NERC CIP Access. If applicable (i.e., when IUSA determines that the Contractor engagement is such that compliance with NERC CIP Standards is required), the background check needs to include an identity verification and 7-year criminal history check as more particularly set forth below.**

- For someone who has resided and/or worked outside of Spain in the last 7 years, the contractor should perform an International Background Check to show the absence or existence of a criminal record. International background checks should verify known data such as employment, education, criminal and civil records, travel and immigration records, as well as address and identity verification
- For someone who has resided and worked only in Spain for the last 7 years, their passport and recent Criminal Record Certificate from the Spanish Ministry of Justice is sufficient (assuming it shows the absence of a criminal record).
- Due to EU privacy rules, the Criminal Record Certificate can only be supplied to the applicant after proof of identify. The Certificate certifies the absence or existence of a criminal record. If the applicant is not willing to obtain and provide the Certificate, an International Background Check should be conducted.

**Non CIP Access. To comply, the background check needs to include the following:**

- For someone who has resided and/or worked outside of Spain in the last 7 years, the vendor should include identity verification and perform an **International Background Check** to show the absence or existence of a criminal record. The international background check should verify known data such as employment, education, criminal and civil records, travel and immigration records, as well as identity.
- For someone who has resided and worked only in Spain for the last 7 years, a **certificate duly signed** by the vendor is sufficient if it states that its employee(s) assigned to work for Customer (i) are duly affiliated to the Spanish Social Security and (ii) have the necessary academic and professional experience.

The Background Check must be completed prior to initial access by Contractor Representative(s) and must, at minimum, meet the criteria specified in this Rule and be repeated every two (2) years for Contractor(s) and Contractor Representative(s) under continuing engagements. Any Contractor Representative who separates employment or other commercial relationship with the Contractor must undergo another Background Check prior to renewed access to the Company. The Company Department charged with managing the relationship with the Contractor hereunder (the “Company Liaison”) shall have the right to require more frequent Background Checks of Contractor Representatives or to require checks from other or additional sources than those listed above, and shall have the right to require that the Contractor furnish Background Check results to them. The Company reserves the right to audit Contractor’s Background Check process using either a third-party auditor or representatives from the Company’s Audit Department or the Company Liaison. All Contractor Representatives are responsible to self-disclose any misdemeanor or felony conviction(s) that occur during the course of their assignment hereunder within three (3) business days of the conviction. The conviction must be reported to the Contractor and the Company Liaison. If reported first to the Contractor, the Contractor shall notify the Company Liaison and the Company Director of Security within three (3) days of learning of the conviction. If, at any time during the term of this Agreement, it is discovered that any Contractor Representative has a criminal record that includes a felony or misdemeanor conviction, the Contractor is required to inform the Company Liaison who will assess the circumstances surrounding the conviction, time frame, nature, gravity, and relevancy of the conviction to the job duties to determine whether the Contractor Representative will be placed on, or continue in, the assignment with the Company, and consistent with, and to the extent permitted by, applicable state law. The Company may withhold its consent in its sole and absolute discretion. The failure of the Contractor to comply with the terms of this provision shall constitute good cause for termination of this Agreement by the Company, in whole or in part.

## Contractor Certification Form

The undersigned agent of [REDACTED] certifies that the employees, contractors, or subcontractors listed below meet the requirements agreed to.

It is the responsibility of the vendor to notify Customer of all personnel changes to include additions as well as voluntary or involuntary terminations. Additions and voluntary terminations are to be communicated within seven (7) calendar days and involuntary terminations must be communicated immediately.

Employee Name	Employer	Date of Last Background Check

Further, I attest that the employees, contractors, or subcontractors listed above working for Customer are in good standing and have been in good standing since their last background check.

[End of Schedule J – Background Check Requirements]

**New York State Electric & Gas Corporation**

DocuSigned by:



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Signature

Robert Fitzgerald

Print Name

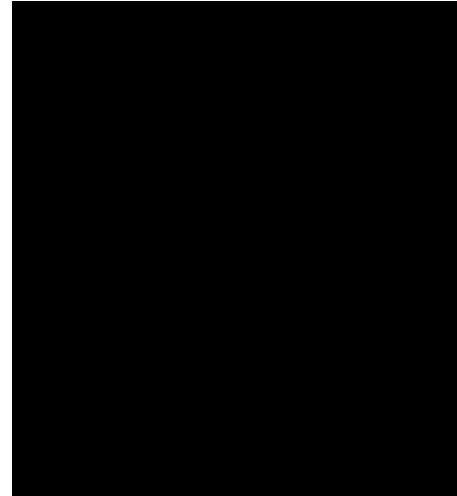
VP - Controller AGR Networks



Title

8/25/2020

Date



**New York State Electric & Gas Corporation**

DocuSigned by:



80D6925F347F418

Anthony Marone

Print Name

President & CEO

Title

8/26/2020

Date

**SCHEDULES:**

- Schedule A: Companies
- Schedule B: Services
- Schedule C: Terms and Conditions
- Schedule D: Pricing Terms
- Schedule E: Special Conditions
- Schedule F: Notices
- Schedule G: T&M Crew Headquarters Listing
- Schedule H: Insurance Requirements
- Schedule I: Data Security Rider
- Schedule J: Back Ground Check Rule

List of Offers Received

