

## **MASTER MATERIALS PROCUREMENT AGREEMENT**

**THIS MASTER MATERIALS PROCUREMENT AGREEMENT** (“Agreement”) is made this 3<sup>January</sup> 3, 2025 and shall be effective as of January 1, 2025 (the “Effective Date”) by and between **Avangrid Service Company**, a Delaware corporation, with offices located at One City Center, 5th Floor, Portland, Maine 04101 (hereinafter, “Customer”), and [REDACTED] (hereinafter, “Supplier” or “Vendor”). Customer and Supplier may be referred to individually as a “Party” and collectively as the “Parties.”

### **WITNESSETH:**

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

**WHEREAS**, the Supplier states that it is an established and well-known supplier of the Materials and is willing to provide the Materials to the companies in accordance with the terms and conditions of this Agreement; and

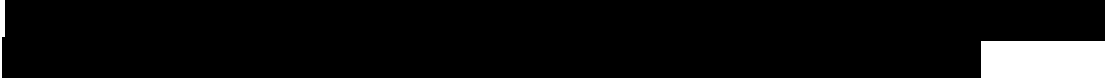
**WHEREAS**, in reliance upon such statements and following its review of Supplier’s proposal and negotiation of business terms, Customer has selected Supplier as a vendor-of-choice for the Materials, which shall be procured in accordance with this Agreement.

**NOW THEREFORE**, in consideration of the mutual covenants contained herein, and other good and valuable consideration, 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” and its derivatives shall mean the Affiliates of Customer specified in *Schedule A*, attached hereto and made part hereof.
- (c) “Contract Price” shall mean, the total amount paid and payable by the Company to the Supplier for the performance of the Services under this Agreement for each applicable Purchase Order.

- (d) The “Effect     Date” shall mean the date specified in the recitals of this Agreement.
- (e) 
- (f) “Materials” shall mean the products, goods, materials, equipment, parts, and\or other items described in ***Schedule B***, attached hereto and made part hereof.
- (g) “Purchase Order” shall mean a purchase order issued by Customer or a Company(ies) in accordance with this Agreement.
- (h) “RFP” shall mean a request for proposal for the Materials, which shall include a reasonably detailed description of the Materials required by the Company(ies), volumes, delivery requirements, and other terms relevant to the purchase.
- (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.
- (j) “Term” shall mean the term of this Agreement, as extended or terminated early in accordance with this Agreement.
- (k) “Terms and Conditions” shall mean the terms and conditions, the form of which are set forth hereto in ***Schedule C*** and made a part hereof and which govern the purchase of Materials and related matters pursuant to a Purchase Order.

## 2. **PROCESS FOR PURCHASING MATERIALS**

**2.1** Customer agrees that, upon a request made to Customer by a utility operating company for assistance in procuring Materials, Customer shall, on its own or with the assistance of the Companies requiring the Materials, take either of the steps delineated in subsections (a) or (b):

(a) **Issuance of Purchase Order.** Customer or the Company(ies) requesting the Materials shall issue to the Supplier duplicate originals of a Purchase Order for the Materials incorporating: (i) the specifications set forth in ***Schedule B***, (ii) the Terms and Conditions set forth in ***Schedule C***, (iii) the pricing terms set forth in ***Schedule D***, and (iv) Material volumes, delivery requirements, and other terms relevant to the purchase. Upon receipt of an authorized Purchase Order, Supplier shall acknowledge the order and commence fulfillment of the order in accordance with the terms therein.

OR

(b) Issuance of an RFP. (i) Customer or the Company(ies) requesting the Materials 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 Materials to be provided by the Supplier, consistent with the specifications and other requirements specified in the RFP, and (2) Supplier's pricing and charges for the Materials, 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 Materials, in their sole and absolute discretion, determine that they wish to award a contract for Materials and thereupon select the Supplier's proposal, the Company may elect to issue a Purchase Order and (in such instance) Company shall forward duplicate original Purchase Orders for the Materials (conforming with the requirements of Section 2.1(a), above, but also incorporating the Supplier's proposal in accordance with this Agreement) to the Supplier at the address specified in ***Schedule F***, below. Upon receipt of an authorized Purchase Order, Supplier shall commence fulfillment of the order 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 make no representation or warranty that Customer or any of the Companies will issue any Purchase Orders or RFPs, or any minimum dollar volume of Purchase Orders or RFPs, during the Term. Customer or the Companies requesting Materials may terminate a Purchase Order or RFP for such Materials at any time upon written notice, without penalty or other obligation, prior to commencement of fulfillment of the Purchase Orders for such Materials.

(b) Supplier acknowledges and agrees that the issuance of an RFP, Purchase Order, or other document pursuant to this Section 2 by Customer or any Companies shall not constitute an offer by Customer or any Companies to purchase Materials, and that an enforceable agreement for Materials shall result only when Supplier commences fulfillment of the Purchase Order for such Materials.

(c) Supplier further acknowledges that each Purchase Order processed in accordance with this Section 2 and issued to Supplier by Customer or a Company constitutes a separate and distinct contract for the particular Materials identified 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) Special Conditions attached hereto as ***Schedule E***, if any;

- (iii) The Terms and Conditions attached hereto as ***Schedule C***, as they may be amended or modified for the particular Purchase Order;
- (iv) The Security Requirements attached hereto as ***Schedule H***, if any;
- (v) The Insurance requirements attached hereto as ***Schedule G***.
- (vi) The Materials document attached hereto as ***Schedule B***, as it may be amended, modified or supplemented for the particular Purchase Order; and
- (vii) This Agreement, including all Schedules other than those described in subsections (i), (ii), (iii), (iv), (v), and (vi) 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), (iv), (v), (vi) and (vii), above.

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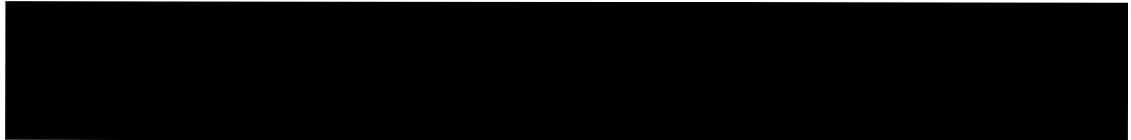
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



#### 4. NO GUARANTY; HOLD HARMLESS

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

- (a) All charges, fees, and expenses, as well as any credits, refunds, or rebates, resulting from Materials sold by Supplier pursuant to such Purchase Orders shall be solely for the account of such Company, and neither Customer nor any other Companies 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 Materials sold by Supplier pursuant to such Purchase Order shall be directed to the representative(s) of the Company identified in such Purchase Order;
- (c) Supplier covenants not to sue Customer or any other Company, except for the Company issuing the Purchase Order, for any charges, fees, expenses, or claims arising from or attributable to Materials sold by Supplier pursuant to such Purchase Order; and
- (d) Pursuant to Article 13 of ***Schedule C***, Supplier shall hold Customer and the other Companies and their respective employees, agents, officers, shareholders, directors, affiliates, managers, directors, members, partners, successors, and permitted assigns 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.

#### 5. TERM

- 5.1 This Agreement shall be effective as of the Effective Dates and shall remain in effect until terminated according to section 5.2 below.
- 5.2 (a) Customer may terminate this Agreement at any time and for any or no reason in accordance with the terms of Articles 16 Termination for Cause and 17 Termination for Convenience of ***Schedule C*** to this Agreement. Upon the effective date of termination specified in Customer's termination notice: (i) all RFPs, proposals, and Purchase Orders then in process, but for which Supplier has not begun fulfillment shall be deemed canceled, unless otherwise agreed in writing by the Company(ies) requesting or issuing such RFPs, proposals, and/or Purchase Orders, and (ii) this Agreement shall be terminated without liability or obligation

to the Parties, except for any liabilities and obligations of Supplier arising under any previously fulfilled Purchase Orders. Customer shall have no liability for any costs, expenses, or other fees incurred by Supplier in connection with any RFPs, proposals, or Purchase Orders that are in process but not fulfilled upon the effective date of termination of this Agreement by Customer.

(b) Termination of this Agreement by Customer shall not effect, or result in, termination of any Purchase Orders where Supplier has begun to fulfill the orders thereto 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 Company pursuant to the terms and conditions of such Purchase Orders.

## 6. GENERAL

**6.1** Notices. All notices, requests, demands, and determinations under this 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 the Party at the address(es) specified in ***Schedule F*** to this Agreement. 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 Agreement and performance under it, and all actions, causes of action, or claims of any kind (whether at law, in equity, in contract, in tort, or otherwise), shall be governed by and construed in accordance with the laws of State of New York, including without limitation New York laws relating to applicable statute of limitation and burdens of proof and available remedies.

**6.3** Binding Nature and Assignment. This 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, and any such attempted assignment without such consent shall be null and void, except that Customer may assign this Agreement and its rights and obligations hereunder to an Affiliate without the approval of the Supplier, but on prior written notice. For greater certainty, nothing in this Agreement, including this Section, shall require a Party to obtain the consent of the other Party in the event of a change of Control of such Party.

**6.4** Entire Agreement; Amendment. This 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 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 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 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 Customer or the Companies as to any matters, except as expressly authorized in this Agreement.

[Signature page follows]

**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.

[Redacted Signature Block]

[Redacted Signature Block]

**SCHEDULES:**

- Schedule A: Companies
- Schedule B: Materials
- Schedule C: Terms and Conditions
- Schedule D: Pricing Terms
- Schedule E: Special Conditions
- Schedule F: Notices
- Schedule G: Insurance Requirements

[Redacted Signature Block]



**SCHEDULE A COMPANIES**

**Central Maine Power Company**

Augusta General Office  
83 Edison Drive, Augusta, Maine 04336

**New York State Electric & Gas Corporation**

3 City Center  
180 South Clinton Avenue, 5<sup>th</sup> Floor  
Rochester, New York 14607

**Rochester Gas and Electric Corporation**

3 City Center  
180 South Clinton Avenue, 5<sup>th</sup> Floor  
Rochester, New York 14607

**The United Illuminating Company**

**Ops Center**

100 Marsh Hill Rd, Orange, CT 06477

**The Berkshire Gas Company**

115 Cheshire Road Pittsfield, MA 01201

**Maine Natural Gas Corporation**

4 Industrial Parkway  
Brunswick, ME 04011

**The Southern Connecticut Gas Company**

Locations:

**SCG Ops Center**

Southern Connecticut Gas  
60 Marsh Hill Rd, Orange, CT 06477

**SCG LNG**

775 Oronoque Rd, Milford, CT 06461

**Connecticut Natural Gas Corporation**

Locations:

**CNG LNG**

1376 Cromwell Ave, Rocky Hill, CT 06067

**CNG Ops Center**

East Hartford  
76 Meadow Street, East Hartford, CT 06108

**SCHEDULE B MATERIALS**

**GAS ROTARY METERS & ELECTRONIC INDEX**



**SCHEDULE C TERMS AND CONDITIONS**

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## ARTICLE 1 – CONTRACT DOCUMENTATION

Pursuant to that certain Master Materials Procurement Agreement (the “Agreement”) between **Avangrid Service Company** (hereinafter, “Customer”), and [REDACTED] (hereinafter, “Supplier” or “Vendor”), the entity (Customer and/or Company(ies)) named in the given Purchase Order, engages the Supplier, and the Supplier hereby agrees to provide the Materials.

The Materials 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 Materials shall be governed by the order of precedence set forth in the Agreement, Section 2.2(c) of the Agreement.

All Material shall be invoiced in accordance with the pricing schedule approved by Customer, “Pricing Schedule,” included in **Schedule D**, attached hereto and made a part hereof (unless otherwise agreed to in writing by the Company or Customer).

## ARTICLE 2 – ALTERATION OF TERMS

None of the terms and conditions contained in this Agreement may be waived, altered, modified, or added to unless such waiver, alteration, modification or addition is in writing and signed by an authorized representative of the Company and Supplier. Except as set forth in the previous sentence, each shipment from Supplier to the Company shall be only upon the terms and conditions set forth in this Agreement, notwithstanding any terms and conditions that may be contained in any acknowledgment, invoice, or other form of Supplier, and notwithstanding the Company’s act of accepting or paying for any shipment or any similar act of the Company.

## ARTICLE 3 – COMPLIANCE WITH LAWS AND INDEMNIFICATION

A. Supplier warrants that it will comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations and executive orders of each applicable governmental entity, board and/or agency, and that it will defend, indemnify and hold harmless, to the fullest extent permissible by law, the Company from and against any and all liabilities, claims, costs, expenses, losses and judgments arising from Supplier's failure to so comply.

B. Supplier shall comply to the extent applicable, with Executive Order 11246, the Vietnam Era Veterans Readjustment Assistance Act of 1974, the Rehabilitation Act of 1973, as amended, and its or their implementing regulations, and reporting requirements there under. The Equal Opportunity and Affirmative Action clauses contained in Title 41, Chapter 60, Sections 1.4, 250.4, and 741.3 of the Regulations of the U.S. Department of Labor, Office of Federal Contract Compliance, and any section or sections superseding or amending the same, are hereby incorporated herein by reference and made a part hereof as though fully set forth where applicable.

Without limiting the foregoing, the 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 4 – DRAWINGS, DESIGN, DATA, CREATIVE WORK AND INVENTIONS**

All drawings, sketches, designs, design data, specifications, notebooks, technical and scientific data, photographs, negatives, reports, findings, recommendations, data, information, memoranda, materials, creative works, inventions, innovations and other work products of every description relating thereto, as well as all copies or descriptions of the foregoing, prepared or completed by Supplier and paid for by the Company, pursuant to this Agreement, shall be subject to inspection by the Company at all reasonable times (for which inspection of the proper facilities shall be afforded the Company by the Supplier), shall be deemed to have been prepared by the Supplier for the Company on a work-made-for-hire basis, shall be the property of the Company and may be used by its employees or agents, or its subcontractors or vendors, and shall be delivered to the Company, or otherwise disposed of by the Supplier, either as the Company may from time to time direct or in any event as the Company shall direct upon completion or termination of this Agreement. 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 Company without further consideration all of its right, title, and interest in such drawings, sketches, designs, design data, specifications, notebooks, technical and scientific data, photographs, negatives, reports, findings, recommendations, data, information, memoranda, materials, creative works, inventions, innovations and other work products of every description relating thereto, including all rights of patent, copyright, trade secret or other proprietary rights in such materials.

Drawings, specifications, and all other information provided hereunder shall be treated by the Supplier as strictly confidential, and shall not be disclosed, copied, or used on behalf of any third party without the prior written consent of the Company.

#### **ARTICLE 5 – CHANGES**

A. The Company shall have the right to make changes in the drawings or specifications. No changes shall be made except under the written order of a contract amendment submitted by the Company or Customer under the Agreement.

B. If Supplier claims that any instructions by drawings, specifications or otherwise approved or issued by the Company after the date of the Agreement involve extra cost or time for performance under this Agreement, the Supplier shall give written notice to the Company including an estimate of changed cost or time thereof within ten (10) days after the receipt of such instructions, and in any event before proceeding to execute the work, unless otherwise directed by the Company, or except in an emergency endangering life or property. No such claim for additional compensation or time shall be considered unless so made. If the change as ordered by the Company increases or decreases the cost of the material or equipment to be supplied, or time for performance established

in the Agreement, a fair and reasonable amount, as agreed upon by the Company and Supplier, shall be added to or subtracted from the compensation or completion date.

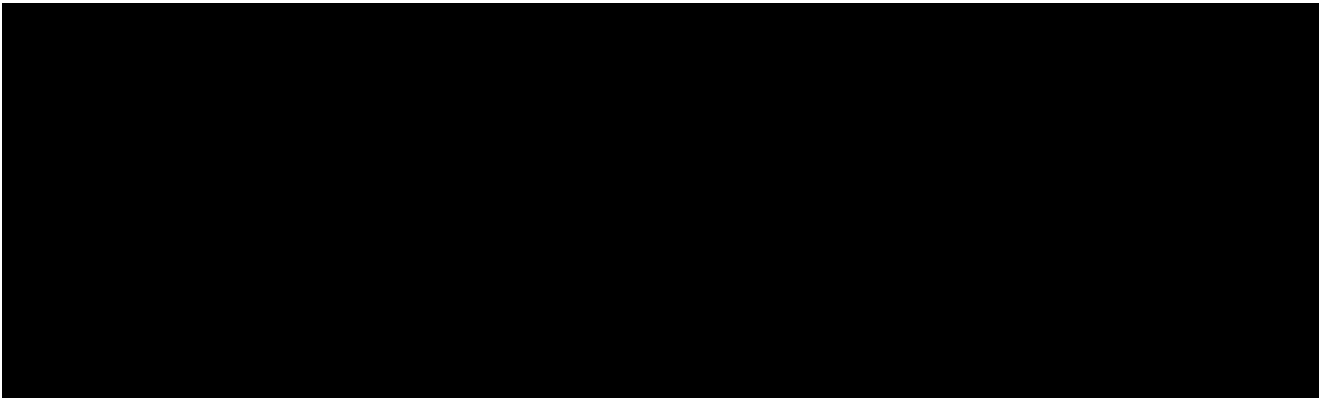
C. If, within ten (10) days after Supplier has provided an estimate of changed cost and/or time, the parties are unable to conclude a mutually satisfactory agreement, Supplier shall proceed with supplying the material or equipment as changed or modified until the differences are resolved. The parties shall endeavor to resolve any disputes regarding increases or decreases in costs resulting from such changes promptly through reasonable means, including, without limitation, impartial third party estimates or mediation.

## **ARTICLE 6 – WAIVER**

No waiver by the Company, whether express or implied, of any of the terms or conditions of this Agreement, shall be or be construed to be a continuing waiver, nor deprive Company of the right to enforce or rely upon any such terms or conditions thereafter.

## **ARTICLE 7 – DELIVERY; SCHEDULE; DELAYS**

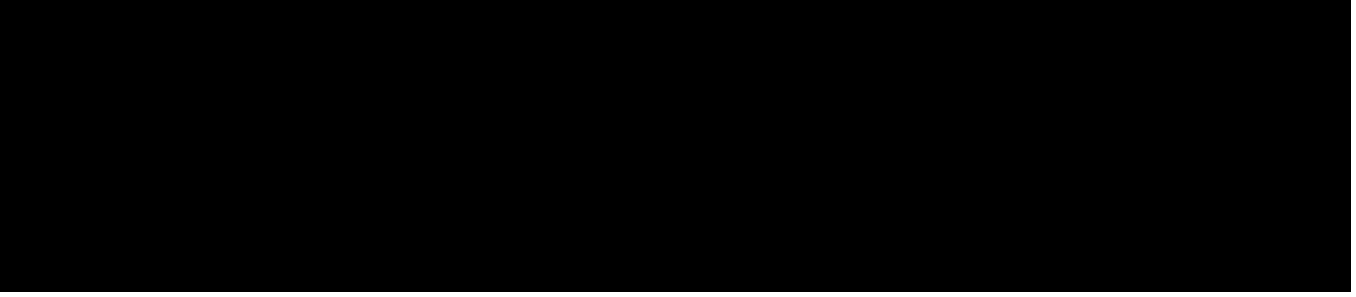
“TIME IS OF THE ESSENCE” in the Supplier's performance of this Agreement. Deliveries are to be made according to the Company's terms as to time, quantities, and location, with the Company reserving the right to cancel, reject or refuse any delivery made prior to or subsequent to the times specified, if the quantities are not as specified, or if the delivery has been made to an improper location. If delivery as specified cannot be maintained, the Company must be notified immediately. Upon Supplier's failure to maintain delivery, the Company reserves the right to procure equivalent Material elsewhere, in whole or in part and to charge Supplier with any additional costs incurred.



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 Company as a result of Supplier's failure to meet the Guaranteed Delivery Dates. It is understood and agreed by the Parties that (i) Company shall be disadvantaged by failure of Supplier to meet such obligations, (ii) it would be impracticable or extremely difficult to quantify the amount of Company's damages resulting therefrom, and (iii) any Liquidated Damages 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 Company's rights under the Agreement or Applicable Law.

Company shall have the right to set off any Liquidated Damages due from Supplier against the payment of any pending invoices to Supplier as further set forth in Article 11.



## ARTICLE 9 – PAYMENT

A. Company shall either pay the invoice in accordance with payment terms agreed upon and stated in ***Schedule D*** attached to this Agreement and included in the purchase order, or withhold payment in accordance with Article 9(B) below.

B. Company may in certain situations withhold, or, on account of subsequently discovered evidence, nullify the whole or part of any disputed invoice to such extent as may be necessary to protect itself from loss. Such situations shall include, but not be limited to, discovery of:

- (a) defective Material;
- (b) third party claims filed or reasonable evidence indicating probable filing of such claims;
- (c) failure of the Supplier to make payments due to subcontractors, material Suppliers or employees;
- (d) reasonable indication that the Material will not be delivered within the time specified in the Purchase Order;
- (e) invoicing which is incorrect; or
- (f) overcharges in violation of the terms and conditions of this Agreement.

Payment does not constitute acceptance of any defective or non-conforming Material or otherwise relieve Supplier of any obligation under the contract.



## **ARTICLE 10 – DELEGATIONS; SUBCONTRACTS; ASSIGNMENT**

A. Supplier shall not, without the prior written authorization of Company, assign this Agreement or any of its rights under this Agreement, nor delegate any of its duties without the prior written consent of Company. Any assignment or attempt to make such assignment shall be null and void. Supplier shall not, without the written consent of the Company, make any agreement with any third party for furnishing any of the completed or substantially completed items covered by this Agreement. For greater certainty, nothing in this Agreement, including this Article 10, shall require a Party to obtain the consent of the other Party in the event of a change of Control of such Party.

B. Company may assign this Agreement, in whole or in part, (i) to a successor of all or substantially all of Company's relevant assets, or (ii) to an Affiliate; otherwise, neither party shall, without the consent of the other, which consent shall not be unreasonably withheld, conditioned or delayed, assign this Agreement in whole or in part hereunder.

C. 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 hereunder shall create any contractual relationship between Company 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 together with all materials for an evaluation by Company's Corporate Security Group. Supplier's subcontractor may not be changed except at the request of or with the written approval of Company, which shall not be unreasonably withheld. The Company shall promptly notify the Supplier in writing if, after due investigation, Company has reasonable objection to any subcontractor on such list and does not accept it. Copies of all subcontracts shall be furnished to the applicable Company contract management representative.

Supplier shall assign to Customer any subcontractor warranties applicable to the Services that extend beyond the applicable warranty period upon the expiration or termination of such warranty period. Supplier shall assign any subcontractor warranties applicable to the Services to Customer if Supplier becomes insolvent or files for bankruptcy.

## **ARTICLE 11 – SET-OFF**

Company may set off against any amount payable to the Supplier under this Agreement any claim or charge it may have against Supplier.

## **ARTICLE 12 – INSPECTION**

The Company (and/or its designee) reserves the right to inspect the Material prior to shipment. Such inspection does not relieve the Supplier of its guarantees or responsibility to furnish satisfactory Materials. It is furthermore understood to be Company's privilege to waive inspection at point of manufacture without prejudice to its right to decline acceptance. Except as to items

purchased from stock, items supplied hereunder and materials and components incorporated therein shall be subject to inspection at Company's option by Company or its designee during and after manufacture. All Material is subject to inspection and acceptance tests at place of manufacture, or at destination, or at both places, by the Company's representative. Rejected Material shall not be submitted for acceptance without concurrent notice of their prior rejection.

### **ARTICLE 13 – WARRANTY**

The Supplier warrants the Material shall be new, free of defects in material, design, engineering and workmanship pursuant to the conditions and warranty period set forth in ***Schedule E Special Conditions***. During said warranty period, the Supplier shall repair or, at its option, replace the defective Material without any cost to the Company, including, without limitation, costs for de installation or costs related to shipping.

In the event Supplier is unable to satisfactorily repair the defect through modification, repair or replacement, the Company may return the defective Material, and, at its option, obtain a credit or refund of the purchase price.

The Supplier may advise the Company of any preferred routing for return of rejected Material and whether or not the shipment should be protected by insurance or full declaration of value at the time of acceptance of this order. In the absence of such information from the Supplier regarding such shipment, the Company reserves the right to declare full valuation or insurance (whichever is applicable) for the benefit of and at the expense of the Supplier.

### **ARTICLE 14 – SAFETY**

Supplier warrants that the Material will conform to the applicable occupational safety and health standards promulgated pursuant to the Federal Occupational Safety and Health Act of 1970 and which are in effect on the date that the Supplier enters its acknowledgments of Company's order.

### **ARTICLE 15 – PATENTS AND OTHER INTELLECTUAL PROPERTY; INDEMNIFICATION**

Supplier represents and warrants that the purchase by Company of and the use by Company of any Material will not infringe any United States or foreign patent or other intellectual property right, and Supplier shall defend, indemnify and hold Company harmless against all claims, judgments, decrees, costs and expenses resulting from any such alleged infringement. Supplier shall at its own expense defend, or settle any claim, suit or proceedings brought against Company, so far as based on an allegation that any Material, or any part thereof furnished hereunder constitutes a direct or contributory infringement of any claim of any United States or foreign patent, copyright or other intellectual property right. In case the Material or part thereof furnished hereunder becomes the subject of any claim, suit or proceeding that such Material or part infringes any United States or foreign patent, copyright or other intellectual property right or if the use or sale of such Material or part thereof is enjoined, Supplier shall, at Company's option, and at Supplier's own expense, either: (a) procure for Company the right to continue using said Material or part thereof; (b) replace it with non-infringing Material that is functionally equivalent to the Material being replaced and satisfactory to the Company, or (c) modify it so it becomes non-infringing, so long

as it remains functionally equivalent and satisfactory to the Company. (d) Remove it and refund the purchase price plus the installation, de-installation and conversion costs thereof.

## **ARTICLE 16 – TERMINATION FOR CAUSE**

Company, reserving to itself the right to receive such other damages and remedies as it may have pursuant to this Agreement or at law or in equity, has the right to terminate this Agreement, by giving written notice of termination to Supplier of the occurrence of any of the following:

- (a) Supplier defaults in the observance or performance of any covenant, agreement or condition contained in this Agreement required to be kept, performed, or observed by Supplier, if within thirty (30) days after the giving of written notice to Supplier of such failure of performance, Supplier has not cured such failure or if such failure of performance cannot be cured in thirty (30) days, if Supplier has not commenced curing such failure of performance promptly and within such thirty (30) day period is not effectuating such cure with haste and does not cure such failure of performance within a reasonable time, not to exceed, ninety (90) days from receipt of the notice specified herein.
- (b) In the event that Supplier is declared to be bankrupt or insolvent, Supplier makes an assignment for the benefit of creditors, Supplier files a voluntary petition in bankruptcy or insolvency or an involuntary petition is filed against Supplier, or a receiver is appointed for Supplier and such appointment or bankruptcy or insolvency proceedings, petition, declaration or assignment is not set aside within thirty (30) days.
- (c) There has been a material adverse change in the financial condition of Supplier that affects the ability of Supplier to perform.
- (d) Supplier assigns or attempts to assign its rights or obligations under this Agreement or any part thereof to any third party without the prior written consent of the Company.
- (e) Supplier (i) fails or refuses to comply with any Applicable Laws or Applicable Permits, and (ii) either (A) within five days after obtaining knowledge of such non-compliance does not commence steps to comply or is not in compliance with such Applicable Laws or Applicable Permits within a reasonable period of time thereafter, or (C) Company faces any civil or criminal action or penalty as a result of such non-compliance by Supplier.
- (f) Any data breach as defined in the Data Security Rider, as applicable.

Termination of a scope of work or a Purchase Order under this Article 16 does not terminate this Agreement unless expressly stated in the termination notice from Customer and/or Company.

## **ARTICLE 17 – TERMINATION FOR CONVENIENCE**

Company may suspend or terminate this Agreement in whole or in part by giving the Supplier twenty-four (24) hours' notice. In such event the Company shall make payment to the Supplier for all Material delivered prior to such termination reasonably allocable to this Agreement, under

recognized accounting practice, less disposal or retention value of termination inventory. Supplier shall make best efforts to mitigate the amount to be paid by Company pursuant to this provision. This provision shall not be deemed to limit or otherwise affect the Company's right to terminate this Agreement for breach or default by the Supplier.

## **ARTICLE 18 – INSURANCE AND GENERAL INDEMNIFICATION**

- (a) Insurance. Supplier shall maintain insurance in accordance with the requirements as set forth in *Schedule G* and the cyber insurance requirements set forth in *Schedule H*. An insurance certificate must be mailed to Customer prior to starting Services.
- (b) General Indemnification. The Supplier shall defend, indemnify, and hold harmless, to the fullest extent permissible by law, the Company, its Affiliates, agents, employees, shareholders, managers, members, partners, officers, directors successors, permitted assigns, and all affiliated and subsidiary companies, corporations, trusts, partnerships, joint ventures (including joint venture partners), associated companies, associations, subsidiaries of the foregoing and individuals which are now or may hereafter be owned, controlled, operated, or directed by or a subsidiary to Company, from and against any and all claims, demands, damages, losses, and expenses, including attorney's fees, arising out of or resulting from the performance of this Agreement, provided that any such claim, damage, loss, or expense (a) is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, or (b) is caused in whole or in part by an act or omission of the Supplier or any of its officers, agents, representatives, subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable. In furtherance of the foregoing indemnification and not by way of limitation thereof, the Supplier hereby waives any defenses 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.

## **ARTICLE 19 – FORCE MAJEURE**

For purposes of this Agreement, "Force Majeure Event" means, with respect to a Party, any event or circumstance, regardless of whether it was foreseeable, that was not caused by that Party or the negligence of that Party and that prevents a Party from complying with any of its obligations under this Agreement, and that the Party claiming the occurrence of such event has furnished the other Party with prompt notice when it appears that such cause will result in non-performance or shall threaten to impair such Party's performance, except that a Force Majeure Event will not include a strike, workforce unavailability, or other labor unrest that affect only one Party, late delivery or breakage of equipment or materials (except to the extent due to a Force Majeure event otherwise excusable hereunder), lack of funds or change in economic circumstance, a failure of performance of any third party (except to the extent due to a Force Majeure event otherwise excusable hereunder), failure to properly apply for any permits for which Supplier is responsible in a timely manner or to perform any conditions therein, an increase in prices, a change in market demand, a change in law, weather or climatic conditions within the range of severity as recorded by the

*National Oceanic and Atmospheric Administration* over the past twenty-five (25) years in the vicinity of the Site or elsewhere, or actions of a Governmental Authority with respect to the Supplier's compliance, or failure to comply, with Applicable Laws, Permits, or Governmental Authority-imposed measures. Force Majeure may include the following events, (a) war, hostilities (whether war be declared or not), invasion, act of foreign enemies in each case within the country; (b) rebellion, terrorism, revolution, insurrection, military or usurped power, or civil war in each case within the country; (c) riot, commotion, disorder, strike or lockout in each case within the country, by persons other than the Supplier, the Supplier's Personnel, Subcontractors and other employees of the Supplier; (d) ionising radiation or contamination by radio-activity, except as may be attributable to the Supplier's use of such radiation or radio-activity; or, (e) natural catastrophes, such as earthquake, volcanic activity, hurricane or typhoon (but not any other weather, climate or metocean conditions). 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 Agreement so affected and to take such compensatory action as may be necessary. Correspondingly, Customer shall be excused for failure of performance herein due to any cause beyond its control and without its fault or negligence. Upon occurrence of a Force Majeure Event, the nonperforming Party shall promptly notify the other Party of occurrence of that Force Majeure Event, its effect on performance, and how long that Party expects it to last. Thereafter the nonperforming Party shall update that information as reasonably necessary. During a Force Majeure Event, the nonperforming Party shall use reasonable efforts to limit damages to the other Party and to resume its performance under this Agreement. If the Force Majeure Event extends for more than twenty (20) days and if the Supplier cannot reasonably reschedule or perform any affected element of this Agreement, the Customer shall be entitled to terminate this Agreement upon notice to the Supplier. Supplier shall furnish timely reports every ten (10) Business Days during the continuation of each Force Majeure Event with respect thereto and whenever such Force Majeure Event has ceased. If a Force Majeure Event materially affects Supplier's schedule for performance hereunder, Supplier may request an equitable adjustment and the Parties agree to memorialize schedule changes in a change order. If the effects of a Force Majeure Event last longer than twelve (12) months, that shall entitle Customer to terminate the Agreement or Purchase Order, as the case may be.

## **ARTICLE 20 – SUBSTITUTION**

No substitution will be permitted under this Agreement except on specific written authority of the Company, granted in Company's sole and absolute discretion.

## **ARTICLE 21 – INDEPENDENT CONTRACTOR**

Supplier shall at all times be an independent contractor and responsible for all acts or omissions of its agents, employees, and subcontractors. Supplier shall at all times control and retain the right to control its performance, no act or order of Company shall be deemed to be the exercise of supervision or control of performance hereunder.

## **ARTICLE 22 – AUDIT RIGHTS**

Upon reasonable advanced written notice, the Company may audit, or cause to have audited, any and all items related to any aspect of this Agreement in order to assure Supplier's compliance. These items shall include, but not be limited to, property, books, records, and computerized data files. This provision shall remain in effect for two (2) years following final payment for the Material covered under this Agreement. Company also reserves the right to perform an onsite audit at Supplier's facility to evaluate processes and procedures critical to the manufacturing and/or distribution of Material for Company. All results of these audits must be kept confidential between the Parties and their agents.

## **ARTICLE 23 – LIENS**

The Supplier represents and warrants that it has good and exclusive title to all Material delivered pursuant to this Agreement and that the Material to be supplied hereunder is free and clear of all liens, encumbrances and claims. The Company may withhold payment pending receipt of evidence in form and substance satisfactory to it of the absence of such liens, claims and encumbrances. Supplier shall, at its own expense and cost, defend (at Company's option), indemnify, and hold harmless Company from and against all liens, encumbrances, or claims.

Supplier shall take all action reasonably necessary to discharge, remove, or satisfy any lien filed against any property of the Company or its affiliate(s), 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 Company, including but not limited to posting of a bond. If the Supplier shall fail to discharge, remove, or satisfy any such lien within ten (10) days after notice of the existence of such lien has been provided by the Company, the Company 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 – TAXES**

Supplier will be responsible for billing sales tax in accordance with the instructions provided on the Company purchase order.

## **ARTICLE 25 – SPARE PARTS**

Supplier agrees to provide spare parts at the fair market price, with no minimum billing, for 10 years, or for the design life of the Material purchased, whichever is greater or any other term specified in *Schedule E*, if any.

## **ARTICLE 26 – SEVERABILITY**



In the event any provision hereof shall be declared invalid, that provision shall be deemed severable from the remaining provisions of this Agreement, which shall remain in full force and effect.

## **ARTICLE 27 – COMPLETE AGREEMENT**

This Agreement, together with all attachments, schedules, and appendices, shall constitute the complete agreement between the parties with respect to the subject matter of this Agreement. All prior communications with respect to this Agreement, whether oral or written, are superseded by this Agreement. This Agreement may be executed in duplicate, each of which shall be deemed to be an original, but which together shall constitute one and the same instrument.

## **ARTICLE 28 – CONFIDENTIALITY**

Supplier, and its employees agents and subcontractors, shall treat as confidential all information, (including any technical information, experience or data) regarding Customer or Customer's plans, programs, plants, processes, costs, equipment, operations, of Customer (or of Customer's Affiliates), which is disclosed hereunder or otherwise comes into the possession of Supplier its employees, agents and subcontractors in the performance of this Agreement, and shall not use or disclose this information to others except as is necessary to perform the Services hereunder, during the term of this Agreement, and for three (3) years thereafter, except as is necessary to perform the services hereunder, without Company'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 the Company) as a matter of legal right and without restriction on disclosure, (iii) was in Supplier's possession prior to disclosure by the Company and was not acquired by Supplier or Supplier's Affiliates, its employees and agents directly or indirectly from the Company or, (iv) is required by law or by any other governmental regulatory authority to be disclosed.

Any non-public information of Supplier provided by the Supplier to Customer hereunder will be similarly restricted, except as set forth in clauses (i) through (iv) in the paragraph above. Customer will not disclose such non-public information; provided, however, that notwithstanding the foregoing, Customer may disclose any such information to its Affiliates, and each of their employees, agents, professional advisors, consultants, and to any regulatory agencies or instrumentalities when such disclosure is necessary, or otherwise required by law.

Each Party agrees that it will cooperate with the other in an effort to minimize the amount of such non-public information, that is required by law or governmental regulatory authority to be disclosed in any such case, and to make reasonable efforts to secure confidential treatment of such information.

In no event shall the Company'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 Company.

## **ARTICLE 29 – TITLE**

Complete legal and equitable title of each item of Material covered by this Agreement shall pass to Company immediately upon delivery at warehouse and/or job site. 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.

## **ARTICLE 30 – PUBLICITY**

Supplier shall not issue, nor permit to be issued any press release, advertisement or literature of any kind or conduct or permit to be conducted any interview or news conference, referring to this Agreement or the Materials hereunder, except upon prior written consent of the Company.

## **ARTICLE 31 – GOVERNING LAW**

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 Monroe County or New York County, State of New York. The Parties hereby irrevocably consent to the jurisdiction of such court and hereby waive, to the fullest extent permitted by applicable law, any objection which they may now or hereafter have to the venue of any such dispute related to or arising out of this Agreement brought in such court or any defense of inconvenient forum for the maintenance of such dispute. Each Party agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

## **ARTICLE 32 – 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.

### **ARTICLE 33 – ETHICS**

(a) 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)).

(b) Customer hereby notifies Supplier that, under applicable law, Supplier and its employees, may have certain rights that permit the good faith reporting of information to governmental authorities without actual or threatened retaliation from Company, for example, under the Maine Utility Accountability Act (35-A M.R.S.A §1316). Supplier shall inform its employees of these rights as necessary and shall not retaliate against its employees for making such legally-protected good faith reports to governmental authorities or to Customer. Without limiting such rights under applicable law, Supplier may also report such concerns to Customer's anonymous Ethics and Compliance helpline, as further set forth in the Suppliers' Code of Ethics.

### **ARTICLE 34 – NO DISPUTE**

Supplier covenants 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 the Supplier's affiliates and Customer and/or any of Company's Affiliates.

### **ARTICLE 35 – SECURITY REQUIREMENTS**

Supplier shall comply with Company's Security Requirements in their performance of work under this Agreement. Supplier hereby agrees to comply with the terms and conditions of the Company's (i) Background Check Requirements (if any) attached hereto as Schedule I and made an integral part hereof, and (ii) Data Security Rider (if any) attached hereto as Schedule H and made an integral part hereof in its performance of its obligations under this agreement, including, without limitation, in connection with the Materials.

#### **Company Information:**

(1) The term "Company Information" means all information, in any form: (i) furnished or made available directly or indirectly to Supplier by Company or its Affiliates, or otherwise obtained by Supplier from Company or its Affiliates, or (ii) obtained from Company or Company's Affiliates in connection with the performance of its obligations under this agreement, including, without limitation, in connection with the Materials.

(2) Company Information shall be and remain the property of Company or its Affiliate(s), as appropriate. Supplier shall not possess or assert any lien or other right against or to Company Information. No Company Information, or any part thereof, shall be sold, assigned, leased, or otherwise disposed of or to third parties by the Company or commercially exploited by or on behalf of Supplier, its employees, or agents.

(3) Upon Company's request, the termination or expiration of this Agreement for any reason (including termination for cause) or, with respect to any particular Company Information, on such earlier date that the same shall be no longer required by Contractor in order to render the Services, Contractor shall promptly return to Company such Company Information (including copies thereof) in a form reasonably requested by Company or, if Company so elects, shall destroy such Company Information.

(4) Supplier shall not use Company Information for any purpose other than to render the Services.

(5) Supplier shall establish and maintain safeguards against the destruction, loss, alteration, or unauthorized use of Company Information which are equivalent to those "best practices" employed within the Supplier's industry.

(6) Supplier shall be familiar with and comply with the requirements of the NERC CIP-004 for projects at Company and/or its Affiliates' bulk electric substations (>230Kv).

Supplier shall be familiar with and comply with the requirements of the NERC CIP-004 for projects or services at or relating to critical cyber assets and critical company 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 to Critical Cyber Assets. 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 includes, 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 ensure that each assessment conducted includes, at least current residence regardless of duration; and other locations where during the seven years immediately prior to the date of the criminal history records check, the subject has resided for six consecutive months or more. If it is not possible to perform a full seven-year criminal history records check, conduct as much of the seven-year criminal history records check as possible and document the

reason the full seven-year criminal history records check could not be performed. 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 criteria or process to evaluate the criminal history records for authorizing access.

R3.4. The Supplier shall document the criteria, process and the results for verifying that personal risk assessments performed for contracts or service vendors are conducted in accordance in R3.1 through 3.3. The results of personnel risk assessments of its personnel, contracts or service vendors 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.

R3.5. The Supplier shall document criteria, process and 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 R3.1 to R3.4 within the last seven years.

## **ARTICLE 36 – CONTINUOUS IMPROVEMENT**

Continuous improvement is the foundation of this Agreement. Supplier warrants that it will pass on to the Company in the form of price reductions fifty (50) percent of Suppliers cost savings made possible by process improvements, reductions in material costs and the like. 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 the Company. Supplier is expected to advance its economies of production, service, service delivery, material handling and technical prowess at least as fast as other competitors in its industry, and to offer the price and performance benefits of those improvements to Customer, as soon as they become available.

## **ARTICLE 37 – UTILIZATION OF SMALL BUSINESS CONCERN**

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 38 – 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 39 – SURVIVAL**

Sections 3, 4, 7, 13, 15, 18, 22, 23, 25, 28 and 32 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 40 – CLAIMS/DISPUTES**

**A.** Any claims by Supplier relating to this Agreement, must be submitted to the Company or the Compan(ies) in writing within fourteen (14) calendar days of initial occurrence of the basis for the claim. Failure to provide such notification shall be deemed waiver of such claim.

**B.** The notice of claim shall include the particulars and shall specify the cause or other basis of the claim, and shall include substantiation of the amount and/or extension to which the Supplier considers itself to be entitled in connection with the Agreement.

**C.** Dispute or claims by the Supplier shall not affect the diligent prosecution by Supplier of the Materials.

**D.** The Parties agree to hold a meeting promptly to attempt in good faith to negotiate a resolution of the Dispute, such meeting to be attended by representatives of the Parties with decision-making authority regarding the Dispute. If, within twenty-one (21) days after such meeting, the Parties have not succeeded in negotiating a resolution of the Dispute, either Party may refer the Dispute to a court under Article 31 which is to be the sole legally binding forum available to the Parties for resolution of a Dispute hereunder.

#### **ARTICLE 41 – LIMITATION OF LIABILITY**

To the fullest extent permitted by law, neither Company nor its affiliate(s) shall not be liable for any special, indirect, punitive, exemplary, incidental or consequential damages resulting in any way from the performance of the services hereunder, including lost profits or other business interruption damages, whether based in contract, warranty, tort, negligence, strict liability, or otherwise, and whether suffered by Supplier or by any of its subcontractors, under or in respect to this Agreement or for any failure or performance related to this Agreement howsoever caused.

Any Liquidated Damages expressly permitted hereunder are not deemed to be consequential damages under this Article 41.

#### **ARTICLE 42 – PUBLIC RELEASE OF INFORMATION**

Dates, 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 Company 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 Company which approval may be withheld without reason or explanation to Supplier.

#### **ARTICLE 43 – SURETY BOND**

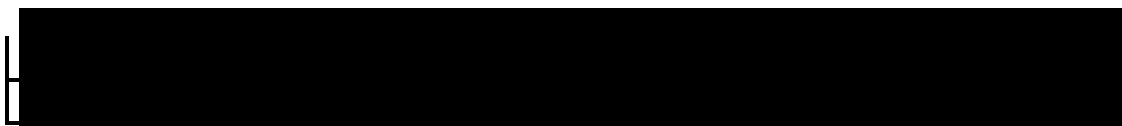
The Company shall have the right, at all times, to require the Supplier to furnish a bond covering faithful performance of this Agreement and the payment of all obligations arising hereunder (i.e., Performance Bonds, Mechanics Liens). The Company shall be entitled to approve the amount, form, premium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

#### **ARTICLE 44 – GRATUITIES PROHIBITED**

The Supplier, its agents, employees and subcontractors shall not, under any circumstances, offer or extend any gratuity or special favor to any employee or agent of the Company or its affiliates or do anything which might reasonably be interpreted as an attempt to influence any employee or agent of the Company or its Affiliates in the conduct of their duties.

\_\_\_\_\_

\_\_\_\_\_



## **SCHEDULE E SPECIAL CONDITIONS**

### **Performance Measurements**

Periodically, Customer may require Review Meetings to discuss supplier performance. Topics of discussion may include, but are not limited to: lead-time, order accuracy, pricing, quality and customer service. Unsatisfactory performance may result in the development of a Supplier performance improvement plan.

### **Reporting**

Supplier shall furnish the following reports:

- Annually or as Customer and Supplier determine is necessary.

### **Delivery**

Supplier will instruct the transportation company to contact the delivery locations 48 hours in advance to arrange for delivery.

### **Meter Warranty(ies)**

#### **Gas Rotary Meters (does not include electronic index):**

The Supplier shall provide the following minimum warranties:

- Product: 5 years
- All other components: 5 years
- Spare Parts: 5 years

#### **Electronic Index:**

The Supplier shall provide the following minimum warranties:

- Product: 5 years
- All other components: 5 years
- Spare Parts: 5 years



**SCHEDULE F NOTICES**

Along with all other correspondence requirements included in this Agreement, any notice, request, approval or other document required or permitted to be given under this 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, or when email notice has been given with an acknowledgement given by the appropriate Party representative. The Parties shall acknowledge in writing the receipt of any such notice delivered in person.

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

<b>Avangrid Service Company</b>	With Copy To:
Contract Administration	Process and Technology
3 City Center	3 City Center
180 South Clinton Avenue, 5 <sup>th</sup> Floor	180 South Clinton Avenue, 4 <sup>th</sup> Floor
Rochester, New York 14607	Rochester, New York 14607
Phone: 585-771-4456	Phone (585) 766-7882
	Attention: Brian Alexander
	Email: balexander@rge.com

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

Company Name	[REDACTED]
Contact Name	[REDACTED]
Title	[REDACTED]
Email Address	[REDACTED]
Street Address	[REDACTED]
City, St, Zip	[REDACTED]
Phone	[REDACTED]
Fax	N/A

## **SCHEDULE G 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 and in no way limit the indemnification obligations of the Supplier. 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 CUSTOMER** 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 Customer and the Companies for its review.

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

**Avangrid Service Company  
Procurement Department/Insurance Cert.  
3 City Center  
180 South Clinton Avenue, 5<sup>th</sup> Floor  
Rochester, New York 14607**

### **1. General Insurance Requirements**

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 Rating of not less than "A- VII" and a policyholder surplus of at least \$25,000,000.

Each insurance policy shall have defense costs outside of the limits of liability.

Each insurance policy shall add Customer and its Affiliates as additional insureds. Except of any required professional liability coverage, which shall name Customer and its Affiliates as indemnified parties.

Each insurance policy shall not preclude Customer or its Affiliates from making claims against the Supplier/Consultant/ Labor Supplier.

Each insurance policy shall provide Customer with 30-day notice of cancellation, except for non-payment of premium and then it shall be 10 days.

Each insurance policy shall notify Customer of any reduction in the aggregate policy limits.

Each insurance policy shall contain a breach of warranty clause.

Each insurance policy shall be primary and non-contributory with respect to Customer and its Affiliates.

Each insurance policy shall contain a waiver of subrogation in favor of Customer and its Affiliates.

Each insurance policy shall contain a separation of insureds clause.

Each insurance policy shall contain a terrorism provision.

Each insurance policy shall contain a choice of law provision which states that the policy shall be governed by the State in which the Materials are being provided.

#### Required Coverages

##### 1) Workers' Compensation and Employers' Liability Insurance:

Coverage A: Statutory

Coverage B: Limits apply per issued annual policy

Bodily Injury by Accident - \$500,000 each Accident

Bodily Injury y Disease - \$500,000 each Employee

Bodily Injury by Disease - \$500,000 Policy Limit

Policy Information Page Requirements:

Item 1 – First Named Insured and Other Named Insureds

Item 3.A. – State(s) of Operations

Item 3.C. – All Other States Except Monopolistic States

Endorsements;

Voluntary Compensation – WC 00 03 11 A

Alternate Employer – WC 00 03 01 A

FELA – If any basis

Maritime – If any basis

USL&H – If any basis

##### 2) Automobile Liability

Combined Single Limit - \$5,000,000 (limits in excess of \$1M can be satisfied by umbrella/excess coverage)

Uninsured/Underinsured – Minimum allowed by State law

Hired/Non-owned liability - \$5,000,000

Symbol – 1

Endorsements:

Employees as Insureds  
Fellow Employee Coverage  
MCS 90  
CA 9948

- 3) General Liability: ISO Form CG 00 01 or its functional equivalent  
Per Occurrence - \$1,000,000  
General Aggregate - \$2,000,000  
Products Completed - \$2,000,000  
Personal and Advertising Injury - \$1,000,000

Endorsements:

Contractual Liability Amendment  
Explosion, Collapse, Underground Coverage  
Independent Contractors Coverage  
Broad Form Property Damage  
No Punitive or Exemplary Damages Exclusion  
No Subsidence Exclusion

- 4) Umbrella/Excess Liability: Written on a Follow Form Basis and Worldwide  
Coverage Per Occurrence - \$5,000,000  
General Aggregate - \$5,000,000  
Products/Completed Operations - \$5,000,000  
Personal & Advertising Injury - \$5,000,0000

Underlying Policies: Commercial General Liability, Auto Liability, Employer's Liability

- 5) Contractor's Pollution Liability  
Per Occurrence - \$5,000,000  
Policy Aggregate - \$5,000,000

Coverage:

Environmental Impairment Liability  
Bodily Injury, sickness, disease, mental anguish or shock sustained by any person, including death and mental anguish  
Property Damage including physical injury or destruction of tangible property including resulting loss of use, clean-up costs, and loss of use of tangible property that has not been physically injured or destroyed  
Disposal site coverage and transportation extensions  
Underground storage tanks  
Loss, remediation, clean-up costs and related legal expenses  
Sudden and non-sudden pollution conditions

No exclusion for loss occurring over water including but not limited to a navigable waterway

Endorsements:

Extended Completed Operations – 10 years

6) Professional Liability:

Per Claim - \$5,000,000

Policy Aggregate - \$5,000,000

Mitigation of Loss/Rectification - \$5,000,000

Coverage:

Extended Reporting Period – 120 months

Retroactive Date – Date of first design

No Exclusion for environmental impairment liability

No Exclusion for punitive damages to the extent insurable