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# Standard Terms & Conditions of Purchase

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Effective October 1, 2025

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## CARRIER CORPORATION (“Carrier” or “Buyer”)<sup>1</sup> STANDARD TERMS AND CONDITIONS OF PURCHASE

These STANDARD TERMS & CONDITIONS OF PURCHASE (“**Terms**”) apply when referenced by Buyer’s ordering document(s) which may include transaction documents, purchase orders, releases, statements of work, electronically transmitted (“**EDI**”) orders or other documentation (individually and collectively an “**Order**”) and, where no Order exists, when goods or services are received by Buyer and paid for through the Buyer’s electronic payment system. Buyer may change these Terms at any time in its sole discretion. Such changes shall be effective upon posting of such updates on <https://www.corporate.carrier.com/suppliers/> but shall only apply to Orders submitted to Seller after posting. “**Seller**” or “**Supplier**” of the goods or services subject to an Order is responsible for periodically visiting this site to review any changes to the Terms. By furnishing any goods or partially performing services subject to an Order to Buyer, Seller acknowledges and agrees to be bound by these Terms and any future changes to them. For purposes of this Agreement an “**Affiliate**” shall mean any entity that directly or indirectly controls, is owned by, controlled by or under common ownership or control with Seller or Buyer respectively.

### 1. CONTRACT OF PURCHASE

Seller agrees it shall sell, and Buyer agrees to purchase from Seller, the goods and/or services described in the Order. Seller shall acknowledge receipt and acceptance of each Order; however, if for any reason Seller shall fail to accept or acknowledge an Order within two (2) business days of issuance by Buyer the Order shall be deemed accepted. Additionally, any conduct by Seller which recognizes the existence of a contract pertaining to the subject matter of the Order including taking any action to fulfill the Order shall constitute unqualified acceptance by Seller of the Order and all its terms and conditions, including these Terms. Seller shall not submit additional or different terms and conditions, and Buyer rejects any additional or inconsistent terms and conditions offered by Seller at any time. If the Seller and Buyer have executed a prior written agreement and such prior agreement (i) has not expired or been terminated and (ii) does not expressly state that these Terms shall not apply, all the provisions of such prior agreement will remain in full force and effect and to the extent the provisions of such prior agreement are not in conflict the Terms, the Terms shall supplement the prior agreement and together shall constitute the Supply Agreement (“**Supply Agreement**”). If there is no prior agreement, or such prior agreement has expired or has been terminated, the terms of the Order, including these Terms, shall constitute the complete and exclusive statement of the terms and conditions of the contract between Buyer and Seller and may be modified only by a written agreement executed by the authorized representatives of both parties (“**Order Agreement**”). The term “**Agreement**” shall refer to either the existence of a Supply Agreement or Order Agreement as applicable.

### 2. PRICE

The price for the goods and/or services shall be the price as shown on the Order or as set forth in the Supply Agreement (the “**Price**”) which shall not be increased unless expressly permitted by the Agreement. The Price includes: (a) all costs of packaging and delivery to the delivery point including all freight, duties, tariffs and

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<sup>1</sup> Each of Carrier Corporation and any of its parent companies, affiliates or subsidiaries shall be entitled to exercise all rights and/or benefits afforded to “Carrier” or the “Buyer” pursuant to these Standard Terms and Conditions of Purchase.

taxes (including sales, excise and withholding taxes) consistent with the applicable Incoterms (b) any commissions to selling agents; and (c) other incidental charges, whether or not such charges are itemized separately on invoices to Buyer. The Price excludes any governmentally imposed value added tax (“**VAT**”) which must be shown separately on Seller’s invoice for each shipment. To the extent goods or services are identified as exempt from sales taxes, the tax identification number and/or other exemption information shall be provided by Seller. The Seller warrants that the Price is not less favorable than that currently extended to any other buyer for the same or like goods or services in equal or lesser quantities. No extra charges or surcharges of any kind will be allowed unless specifically agreed by Buyer in writing. The price of goods and services supplied to Buyer by Seller is subject to decrease upon thirty (30) days prior notice to Seller.

2.1 Tariffs. To the extent the United States or other countries implement duties or tariffs increasing the cost to Buyer to either import the goods or services purchased hereunder or increasing the cost to Buyer to manufacture, export or import Buyer’s end user products in which the goods or services purchased hereunder are incorporated, Seller agrees to reduce the Prices accordingly in an amount equal to 100% of the actual increased cost to Buyer (in the event of any dispute the amount of such increased cost shall be determined solely by Buyer). Seller shall issue a debit memo to Buyer to reflect such price reduction.

### 3. PAYMENT

Unless otherwise agreed in writing or required by law, invoices will be processed ninety (90) days from the invoice posting date and then paid on the next scheduled payment run if the invoice is accurate and all subject goods and/or services have been received. Payment runs occur at least once per month. Seller shall issue invoices in accordance with the Buyer’s instructions, which may include designated system, format, and process. Seller is responsible for any costs associated with using the designated system. Where Buyer requires use of a designated system, no invoices will be paid or deemed received until submitted in the designated system. All invoices must contain the following information: purchase order number, item number, description of items or services, sizes, quantities, unit prices. Payments of invoices shall be subject to adjustment for shortages, defects, non-conformities, credits and other failures of Seller to meet the requirements of the order or prior orders. Buyer may make payment electronically or by check, provided such check is honored upon presentment by the “Payor Bank.” In addition to any right of setoff or recoupment provided by law, all amounts due to Seller will be considered net of indebtedness of Seller and/or Seller’s Affiliates to Buyer and/or Buyer’s Affiliates. Buyer will have the right to set off against or to recoup from any payment or other obligation owed to Seller, in whole or in part, any amounts due to Buyer or Buyer’s Affiliates from Seller or Seller’s Affiliates. Buyer will provide Seller with a statement describing any offset or recoupment taken by Buyer. Buyer shall also be entitled to invoice Seller for any amounts owed Buyer hereunder (e.g. reimbursement) and such invoices shall be paid by Seller within thirty (30) days of receipt. Buyer shall not be obligated to pay for any goods or services if the invoice for such goods or services is received more than twelve (12) months after the receipt of the goods or performance of the services.

### 4. REPLACEMENT PARTS, PACKAGING & DELIVERY

In consideration of selection of Seller by Buyer to source the goods and in exchange for payment of ten dollars (\$10.00) which Seller acknowledges it may invoice Buyer at any time, Seller grants to Buyer an irrevocable option for a period of ten (10) years following the delivery date of the goods described in the respective Order (the “**Replacement Period**”), to purchase replacements for or component parts of any such goods, including those which become obsolete during the Replacement Period, at the lowest price at which Supplier sells such goods or parts. Notwithstanding the foregoing, prices for such goods shall be firm and not exceed the price paid for the goods pursuant to the respective Order for the first five (5) years of the Replacement Period except for and only to the extent an increase is required to compensate Seller for actual cost differences in packaging and shipment.

Seller will properly pack, mark, track, ship and deliver all goods according to the requirements of Buyer, the involved carriers, and the country of destination. If there are no instructions, goods will be packaged and shipped in a manner sufficient to ensure that the goods are delivered in undamaged condition. The goods shall be delivered assembled and ready for use to the address or location specified in the Order (“**Carrier Location**”).

Unless otherwise specified in the Order or Agreement, Incoterms© 2020 DDP to facility specified by Buyer will apply to all shipments. If Buyer has agreed to pay for transportation in the Agreement the Seller, when directed by Carrier, shall utilize Carrier's Transportation Management System ("**TMS**") for all domestic and international shipments. If the TMS is not utilized Seller shall pay Buyer the difference in shipping cost between the applicable TMS' shipping rates and Seller's rates. If the Seller is paying for transportation the Seller shall have their own TMS in place to assure the most efficient modes of transportation are utilized and to provide Carrier with end-to-end visibility. Delivery of goods or performance of any required services is not complete until goods or services have been actually received and accepted by Buyer. The obligation by Seller to meet the delivery or performance date is material and TIME IS OF THE ESSENCE with respect to Seller's obligation to deliver goods and performance of the services. Buyer's acceptance of goods or services not timely delivered or performed is not a waiver of its right to damages. Seller bears the risk to ensure it possesses the required raw materials and components necessary to meet its delivery obligations. If an expedited shipping method is required to meet the delivery dates in the Order (or such earlier or later delivery dates otherwise agreed to by Seller and Buyer), Seller shall utilize such method and pay all premium freight costs. If Seller's failure to timely deliver conforming goods or services disrupts Buyer's production schedule, Seller shall be liable for all damages, including: (i) premium paid to secure alternate goods or services from another supplier (if feasible); (ii) all premium or expedited freight costs; and (iii) any additional costs or lost profits resulting from production down time or project delays.

## 5. FORCE MAJEURE

Neither party shall be deemed to be in breach of this Agreement to the extent any failure or delay in performance results from causes that are, at one and the same time, unforeseeable, unavoidable, outside of such party's control and not occasioned by such party's fault or negligence (each an "**FM Event**"); provided that upon the occurrence of each FM Event, the affected party shall give notice thereof to the other as soon as possible specifying each occurrence of an FM Event, the period of delay it reasonably expects to incur, and the steps it is/ it anticipates taking to mitigate each FM Event. If a failure or delay in performance is caused by an event affecting any of Seller's suppliers, such failure or delay shall not be excused by application of this section unless such event is an "FM Event" as defined above and the good or service to be provided by such supplier is not obtainable by Seller from other sources in a timely manner. For the avoidance of doubt, (i) change in cost or availability of materials or components based on market conditions or Seller's actions, (ii) financial difficulties or the inability of either party to make a profit or avoid a financial loss, (iii) changes in prices or market conditions, including the general lack of availability of materials, premiums, labor, or energy, or (iv) the financial inability of a party to meet its obligations hereunder shall not constitute an FM Event. During the delay or failure to perform by Seller, Buyer shall not be prevented by any clause set forth in this Agreement from taking any steps necessary to mitigate its damages and avoid manufacturing disruption including, but not limited to (a) purchasing goods from other sources and reducing its schedules to Seller by such quantities, without liability to Buyer; (b) requiring Seller to deliver to Buyer at Seller's expense all finished goods, work in process and parts and materials produced or acquired for work under the Order; or (c) having Seller provide Products from other sources in quantities and at a time requested by Buyer and at the Price set forth in the Order. If an FM Event results in a delay of more than ten (10) days, Buyer shall have the option to terminate all Releases to the extent affected by the Event(s). Such termination shall discharge all obligations and liabilities of the parties under such Releases with respect to the purchase and sale of the affected good(s) and or services.

## 6. WARRANTY

One or more of the following warranties shall apply to goods or services Buyer purchases from Seller:

**Goods.** Seller warrants to Buyer and its Affiliates, successors, assigns, customers and end users ("**End Users**") of the goods or Buyer's products incorporating such goods ("**Products**") sold by Buyer that all goods provided hereunder shall: (i) be merchantable; (ii) be new upon receipt by Buyer; (iii) be free from defects in material and workmanship; (iv) be free from defects in design, except to the extent the goods are designed by Buyer; (v) be in strict compliance with all specifications, samples, standards, drawings, and performance requirements; (vi) be in compliance with all applicable regulations and other legal requirements concerning the manufacture, labeling, packaging, packing and delivery of the goods including, but not limited to, all the applicable safety, environmental and export regulations of the United States and the European Union; (vii) be selected, designed, manufactured and assembled based upon Buyer's stated use; (viii) be fit for their intended

purpose(s); (ix) be free from liens and encumbrances on title; and (x) not, through use or as part of a Product in any way infringe or contribute to the infringement of any intellectual property right in the United States or elsewhere, and no claim, action or suit alleging any such infringement or contribution to infringement is pending or threatened against Seller, its employees, agents, suppliers or contractors; and (xi) not contain any open source software or other third party software that imposes any obligations or conditions on Buyer's intellectual property or confidential information (collectively "**Goods Warranty**").

Seller's obligation under this Goods Warranty shall not be affected by and shall survive delivery, inspection, test, acceptance, payment, and use for a period beginning on the later of the date of installation of the goods or Products, or the date the goods are delivered after a warranty repair or replacement and equal to the longer of sixty (60) months or the duration of any warranty of the goods or Products provided by Buyer in connection with Buyer's sale of its Products, which durations will be provided by Buyer upon written request and are INCORPORATED HEREIN BY REFERENCE. If nonconformities are identified, Seller agrees, at Buyer's option, to either (a) reimburse Buyer for the full cost of all nonconforming goods and all costs incurred by Buyer in correcting or replacing such goods or Products; or (b) to repair or replace the goods at Seller's sole cost and expense. In the event Buyer elects (b), Seller agrees, at Seller's sole cost and expense, to promptly correct defects in or replace all the goods not conforming to the foregoing warranty. In the event that Seller fails to timely correct defects in or replace nonconforming goods as determined by Buyer in its sole discretion, Buyer, after reasonable notice to Seller, shall then have the right to correct or replace all nonconforming goods with alternate goods and charge Seller for the cost incurred by Buyer in doing so. If nonconformities in the goods are identified after shipment of the goods or Products to Buyer's customer, the goods may be scrapped, retained, or held for Seller's disposition, at the discretion of Buyer, Buyer's customer or the End User. Seller shall promptly reimburse Buyer for all expenses and damages incurred by Buyer, Buyer's customer or the End User regardless of the nature of such expenses or damages as a result of or relating to failure to comply with the foregoing warranty, including but not limited to repair, replacement, rework, removal and reinstallation costs, shipping costs, damages and/or accommodation payments, production delays, payment withholds, field service costs, recall costs, administrative costs and costs of filing and complying with legal and regulatory requirements, including but not limited to those of agencies such as the Consumer Product Safety Commission.

**Software/Firmware.** To the extent the goods contain compiled and embedded versions of software needed for the goods to function (individually or collectively, "**Firmware**") or the goods constitute, include or incorporate software owned or licensed by Seller (individually or collectively, "**Software**"), Seller hereby authorizes Buyer to sell, resell and/or license the Firmware and Software to Buyer's customers and/or End Users. Seller warrants to Buyer, Buyer's customers and End Users that all Software and/or Firmware sold to Buyer either as a good or incorporated into a good or service shall perform in conformity with the specifications and other documentation provided by Seller describing the functionality of the respective Software and/or Firmware (collectively, the "**Software Specifications**") for a period of sixty (60) months after installation by End Users (the "**Software Warranty**" and the "**Software Warranty Period**", respectively). If the Software or Firmware fails to conform to the Software Warranty during the Software Warranty Period, at Buyer's option, Seller shall promptly repair or replace the Software or Firmware or provide a full refund of the license and other fees paid with respect to the Software (or if Firmware provide a full refund of the purchase price of the good containing such Firmware). If Seller fails or is unable to promptly repair or replace the Software or Firmware, Buyer, Buyer's customer or End Users, as applicable, shall be entitled to a full refund of the license and other fees paid with respect to the Software (or in the case of Firmware a full refund of the purchase price of the good containing such Firmware). At Buyer's option, Seller will refund Buyer and Buyer will assume any obligation to refund Buyer's customer or End Users.

**Services.** Seller warrants to Buyer that all services provided: (i) have been and will be performed in a professional and workmanlike manner and in accordance with current, sound and highest generally accepted industry standards and practices by appropriately licensed, trained, and supervised personnel who are experienced in the applicable field(s); and (ii) do, if applicable, and will conform to and be in compliance with all applicable specifications, performance requirements and other requirements contained in the Order (collectively, the "**Service Warranty**"). Seller agrees that should any services not conform to the Service Warranty, Seller will re-perform or correct such nonconforming services at at Seller's sole cost and expense. In the event of failure by Seller to do so promptly, Buyer, after reasonable notice to Seller, may perform or correct such nonconforming services and charge Seller for all costs incurred by Buyer thereby.



Notwithstanding any other provision, in addition to the foregoing, Seller shall be liable for Buyer's actual costs, expenses and damages related to or arising from services not conforming to the Services Warranty. Seller warrants to Buyer that all documentation and certifications by Seller or Seller's subcontractors or business partners related to the services are current, complete, truthful, and accurate and have been signed or stamped, as applicable, by individuals authorized and qualified to sign or stamp such documentation and certifications. Except for permits and/or licenses required by statute or regulation to be obtained by Buyer, Seller agrees to obtain and maintain - at its sole cost and expense - all permits, licenses and other forms of documentation required in order to comply with all existing national, state, provincial or local laws, ordinances, and regulations, or of other governmental agency, which may be applicable to Seller's performance of work hereunder. Buyer reserves the right to review and approve all applications, permits, and licenses prior to the commencement of any work hereunder.

**Epidemic Failure.** If at any time a governmental agency of any country, state, province or municipality requires Buyer to conduct a product safety recall or a field fix program with respect to any goods or services provided by Seller (or any Products), or Buyer voluntarily undertakes such an action related to the goods, services or Products, Buyer will notify Supplier within thirty (30) days of the initiation any such action and Supplier shall reimburse Buyer for all related costs, expenses or damages arising as a result of such recall or field fix program.

**Right of Set Off / Off Set.** Buyer shall be entitled to deduct, set off or offset all costs and expenses associated with Seller's failure to comply with the foregoing warranties against any amounts Buyer or any of its Affiliates may owe Seller or any of its Affiliates.

**Return of Non-Conforming Goods.** Buyer expressly rejects all return material authorization (RMA) or similar policies of Seller. To the extent Buyer agrees to return any goods, Seller shall cover or reimburse Buyer for the cost of all necessary packaging and shipping. Failure to return any nonconforming goods that are incorporated into Products in Buyer's customers' possession or installed at End User locations shall not be a bar to recovery of any remedies specified herein.

Warranty provisions shall be interpreted in accordance with the Singaporean contract law. The start date, duration, and scope of warranty must be clearly defined. Seller shall ensure that warranty terms are enforceable under Singaporean law and do not conflict with mandatory consumer protection statutes.

## 7. QUALITY & AUTHENTICITY OF GOODS

All orders for goods (and associated services) are subject to the requirements contained in the Carrier Quality Manual ("**SQM**"), which is incorporated herein by reference. The SQM is located on the Buyer's website at:

<http://www.corporate.carrier.com/>

or

<https://www.corporate.carrier.com/suppliers/>

Seller acknowledges receipt, review and acceptance of the SQM. Buyer reserves the right at its discretion to revise or amend the SQM at any time, and Seller agrees that any such revised or amended SQM, as posted on the Buyer's website or otherwise made available to Seller, shall be binding on the Seller with respect to all future Orders. All goods sold by Seller to Buyer shall conform to Buyer's quality standards and requirements set forth in the SQM and any specifications, drawings, samples or other document upon which the order is based. Buyer, without prejudice to any other rights or remedies, including the right to inspect goods after delivery, shall have the right at all times to inspect and test the goods during manufacture or processing or while stored under Seller's control. Seller shall not make any changes during the term of the Agreement in the quality, in the location of manufacture, or in Seller's processes related to the goods without prior notification to and written acceptance of such changes by the Buyer.

Seller further represents and warrants that only new and Authentic materials are used in the goods sold to Buyer and that the goods contain no Counterfeit Parts.

**“Authentic”** means (a) genuine, (b) from the legitimate source claimed or implied by the marking and design of the goods, and (c) manufactured by, or by a third party at the request and to the standards set by, the manufacturer that has lawfully applied its name and trademark to such goods.

**“Counterfeit Part(s)”** means a part, component, module, or assembly whose origin, material, source of manufacture, or branding are misrepresented. This term includes, but is not limited to, (a) parts that have been marked/remarked in such a way that disguise or falsely represent the identity of the manufacturer, and/or (b) previously used parts pulled or reclaimed and provided as “new”.

**“Unauthorized Distributor”** means a person, business, or firm that is not authorized by the original equipment manufacturer (**“Manufacturer”**) to sell or distribute Manufacturer’s goods but which purports to sell, broker, and/or distribute Manufacturer’s goods. Purchase of parts/components from Unauthorized Distributors is not permitted unless first approved in writing by Buyer.

No other material, part, or component other than a new and Authentic part is to be used unless approved in advance in writing by Buyer. To further mitigate the possibility of the inadvertent use of Counterfeit Parts, Seller shall only purchase Authentic parts/components directly from the Manufacturer or through the Manufacturer’s authorized distribution chain. Seller must make available to Buyer, at Buyer’s request, documentation that authenticates traceability of all parts/components to the applicable Manufacturer.

## 8. TECHNOLOGY GOODS, SOFTWARE OR SERVICES

8.1 Support. Seller further agrees to provide Buyer and End Users with reasonable support services for Software and Firmware at no additional charge which shall, at a minimum, include (a) correction of all failures of the Software/Firmware to perform in accordance with the applicable Software Specifications including programming, servicing and repairs required to maintain the Software/Firmware so that it operates properly and in accordance with the Software Specifications, (b) telephone support during regular business hours, (c) online access to technical support bulletins, (d) providing all updates, modifications, bug fixes and releases that Seller provides customers generally at no additional charge, and (e) responding to Critical Issues (as defined below) within thirty (30) minutes of Buyer’s request and initiating corrective work within two (2) hours thereafter, regardless of day of week or time of day. **“Critical Issues”** are substantial failures of the Software/Firmware, or failure of any Software/Firmware critical to the End User’s operations. Seller shall initiate work on all other support issues within four (4) hours from receipt of a service request. In the event Seller fails to achieve the foregoing response times for either responding to or initiating correction, Seller shall issue to Buyer a credit in the amount of \$250.00 for each additional hour.

8.2 Availability of Cloud-Based Software. To the extent Seller provides cloud-based Software and/or Software services via the Internet or other network connectivity (**“Cloud Software”**), Seller will make the Cloud Software Available, as measured over the course of each calendar month, 99.5% of the time, as measured on a 24-hour-a-day basis, excluding unavailability as a result of the Exceptions described below (the **“Availability Percentage”**). **“Available”** means the Cloud Software is available for access and use by Buyer or End User, as applicable (the **“End User”**) over the Internet and operating in material accordance with the Software Specifications. In the event the Cloud Software is available between 98% and 99.5% of the time, Buyer or End User as applicable, shall be entitled to a credit in the amount of ten percent (10%) of the monthly fee for the Cloud Software due in the month the failure occurred. If the Cloud Software is not available at least 98% of the time, Buyer or End User as applicable, shall be entitled to a credit in the amount of forty percent (40%) of the monthly fee for the Cloud Software due in the month the failure occurred. In the event the Cloud Software is not available at least 70% of the time, Buyer or End User as applicable, shall be entitled to a credit in the amount of seventy percent (70%) of the monthly fee for the Cloud Software due in the month the failure occurred. For purposes of calculating the Availability Percentage, the following are **“Exceptions”** to the service level requirement, and the Cloud Software shall not be considered unavailable if any such inaccessibility is due to: (i) the acts or omissions by Buyer or End User, as applicable; (ii) Buyer or End User’s Internet connectivity; (iii) Internet traffic problems not under Seller’s reasonable control; (iv) Buyer or End User’s failure to meet minimum



hardware and/or software requirements, if any; (v) Buyer or End User's hardware, software, or other equipment; (vi) any hardware, software, service, or other equipment not provided by Seller and used by a Buyer or End User to access the Cloud Software or (vii) regularly scheduled maintenance for which Seller provides at least five (5) business days advance written notice.

**8.3 Security by Design.** Seller represents and warrants it has made commercially reasonable efforts consistent with industry standards to ensure that all Software and Firmware is designed free from material vulnerabilities (whether in proprietary software code or third party software code, including the applicable operational support system ("**OSS**") ) and a reasonable commercial security by design program has been established and maintained for all Software and Firmware, including when used in, or incorporated the goods, or Software/Firmware used in the installation, maintenance, configuration, or support of the goods (the "**Security Protocol**"). The Security Protocol will include a testing regime designed to model threats and detect security and design bugs, defects, and flaws through: (a) penetration testing (ethical hacking); (b) OSS scanning; (c) static code analysis and (d) all other testing and verification necessary to ensure adherence to industry standard "Security by Design" principles (collectively, a "**Security by Design Program**"). Seller further represents and warrants that it will reasonably assist with and participate in any similar Security by Design Program established by Buyer, including providing Buyer documentation regarding Seller's compliance with these requirements reasonably requested by Buyer

**8.4 Vulnerability Notice and Remediation.** During the usable life of the goods (i.e., until the formal end-of-life of any Good) in commercial use, Seller shall monitor and address all Software and Firmware material threats and vulnerabilities by: (a) issuing necessary patches or updates; (b) providing prompt notice to Buyer of said threats and vulnerabilities, prior to any public disclosure, except where such notice would be impracticable; and (c) developing fixes, workarounds, and/or compensating security controls and documentation ("**Remedial Actions**") to address any unmitigated material threats and vulnerabilities while Seller undertakes the process of issuing patches or updates, and providing Buyer notice of Remedial Actions as soon as reasonably practicable. Seller shall flow these requirements to its contractors, subcontractors and suppliers at any tier for the performance of this Agreement. If Seller fails to fully and timely comply with this Section 8, Buyer shall be entitled to the following remedies which shall be in addition to all other remedies available to Buyer (a) Buyer may, in its sole and absolute discretion, revoke the acceptance, reject, abandon, return or hold such goods at Seller's expense and risk ("**Refused Goods**"), and (b) Buyer may cancel in whole or in part, i) any Order, ii) any other agreement, iii) any other obligation Buyer may have to purchase any or all goods from Seller, or iv) any combination of (i), (ii) and (iii) (collectively, "**Canceled goods**"), and (c) at Seller's sole cost (including the cost for expediting, quality validation, losses related to adverse effects on Buyer's business), Buyer may source replacements for any Refused goods and/or Canceled goods.

**8.5 Buyer Information Collected or Stored By Seller.** Seller agrees to comply with the terms of **Attachment A, Data Privacy & Security For Carrier Information** whenever the Seller acts as a Data Controller including, but not limited to, collecting or processing Personal Information and/or storing Carrier Information on Carrier's behalf.

**8.6 Artificial Intelligence.** For goods or services that incorporate or utilize Artificial Intelligence (AI), Seller shall also comply with **Attachment E – Artificial Intelligence**.

## **9. ACCESS TO FACILITIES, SYSTEMS OR CARRIER INFORMATION**

Seller agrees to comply with the terms of **Attachment B, Access to Facilities or Systems** whenever Seller personnel will be granted access to (i) Facilities and/or (ii) Systems.

## **10. INDEMNIFICATION; DEFENSE OF CLAIMS**

SELLER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS BUYER, BUYER'S CUSTOMERS, AFFILIATES, INSURERS, AND THEIR RESPECTIVE EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES AND AGENTS (TOGETHER, THE "**BUYER INDEMNITEES**") FROM AND AGAINST ANY AND ALL CLAIMS, ALLEGATIONS, SUITS, DEMANDS, PROCEEDINGS, JUDGMENTS, AWARDS, LOSSES,

LIABILITIES, DAMAGES, PENALTIES, FINES, ASSESSMENTS, COSTS OR EXPENSES (INCLUDING ATTORNEYS' FEES) OF ANY KIND OR NATURE (COLLECTIVELY, "**DAMAGES**"), RELATING TO, ARISING OUT OF, OR CAUSED BY SELLER'S PERFORMANCE HEREUNDER INCLUDING, BUT NOT LIMITED TO, BREACH OF WARRANTY, BREACH OF CONTRACT, FRAUD, NEGLIGENCE, WILLFUL MISCONDUCT, OR USE IN PRODUCTS OF PERFLUOROALKYL AND/OR POLYFLUOROALKYL SUBSTANCES ("**PFAS**") INCLUDING ANY SUBSTANCES OR COMBINATIONS OF SUBSTANCES WHICH CAN DEGRADE INTO PFAS.

SELLER WILL FURTHER INDEMNIFY, DEFEND, AND HOLD HARMLESS THE BUYER INDEMNITEES AS WELL AS ANY SUBLICENSEES, SUBCONTRACTORS, AND EACH SUBSEQUENT BUYER OR END USER FROM AND AGAINST ANY DAMAGES ARISING FROM ANY ALLEGED INFRINGEMENT OR VIOLATION OF ANY INTELLECTUAL PROPERTY RIGHTS OR LICENSE, INCLUDING BUT NOT LIMITED TO ANY CLAIM ARISING FROM USE OF OPEN SOURCE SOFTWARE AND/OR STANDARD ESSENTIAL PATENTS, RELATED TO THE MANUFACTURE, USE, SALE, OFFER FOR SALE, IMPORT, OR OTHER EXPLOITATION OF ANY GOODS DELIVERED OR SERVICES PERFORMED IN CONNECTION WITH ANY ORDER. IF ANY GOODS OR SERVICES, IN WHOLE OR PART, CONSTITUTE OR MAY CONSTITUTE INFRINGEMENT OR MISAPPROPRIATION OF ANY THIRD PARTY'S INTELLECTUAL PROPERTY RIGHTS, OR IF BUYER'S OR BUYER'S AFFILIATES' USE THEREOF IS OR MAY BE ENJOINED, SELLER, IN ADDITION TO ITS INDEMNIFICATION OBLIGATIONS, WILL PROMPTLY: (I) SECURE THE RIGHTS TO CONTINUE USING THE INFRINGING GOODS, OR (II) RE-PERFORM THE SERVICES OR REPLACE THE GOODS WITH COMPARABLE NON-INFRINGING GOODS, OR (III) MODIFY THE GOODS SO THAT THEY BECOME NON-INFRINGING WITHOUT LOSS OF MATERIAL FUNCTIONALITY AND WITHIN A TIME ACCEPTABLE TO BUYER, OR (IV) AT BUYER'S OPTION, ACCEPT RETURN OF THE GOODS AND REFUND OF THE PURCHASE PRICE. SELLER SHALL REIMBURSE BUYER FOR BUYER'S COSTS INCURRED IN OBTAINING ALL INTERNAL, EXTERNAL AND BUYER'S CUSTOMER APPROVALS, QUALIFICATIONS, CERTIFICATIONS, AND THE LIKE, NECESSARY FOR MAKING, USING, PROVIDING AND SELLING ALTERNATE NON-INFRINGING GOODS. UNLESS THE INFRINGEMENT IS OTHERWISE SUCCESSFULLY MITIGATED IN ACCORDANCE WITH CLAUSES (I) – (IV) OF THIS SECTION, SELLER SHALL REFUND TO BUYER THE PURCHASE PRICE OF ANY SUCH GOODS THAT BUYER IS PROHIBITED FROM PROVIDING, USING, SELLING, OFFERING FOR SALE, IMPORTING, EXPORTING, OR OTHERWISE EXPLOITING. BUYER SHALL ALSO BE ENTITLED TO DEDUCT OR OFFSET SUCH REFUND AMOUNT AGAINST ANY AMOUNTS OWED SELLER.

If directed by Buyer, Seller shall take upon itself the defense and/or settlement of all such claims, suits, actions or legal proceedings for which Seller is obligated to provide indemnification in accordance with this Section above, and the defense of any suit, suits or legal proceedings of any kind brought to enforce such claim or claims, and to pay all judgments entered in such suit, suits or legal proceedings, and all attorneys' fees and other expenses. Seller agrees that in any instance where such claims in any way affect Buyer's interest under the order or otherwise, Seller shall not consummate any settlement without Buyer's prior written consent. Seller's covenants of indemnity herein shall continue in full force and effect notwithstanding the termination or expiration of the order.

## 11. INSPECTION AND ACCEPTANCE.

This Section shall apply to purchase of both goods and services. Buyer may inspect all goods at any time, including during manufacture at the Seller's facility. Such inspection may at Buyer's option include confirmation of Seller's compliance with all requirements of the order. At no additional cost to Buyer, Seller will permit Buyer and/or its designees access to Seller's facilities at reasonable times and will provide all access and assistance reasonably necessary for such inspection and/or confirmation. All goods are subject to final inspection and acceptance at any time within ninety (90) days after delivery to Buyer. All services are subject to acceptance by Buyer within thirty (30) days after delivery to Buyer. Buyer, without prejudice to any other rights or remedies, shall have the right to reject defective goods and/or services and, at Seller's risk (notwithstanding the terms of delivery) and expense, return the same to Seller or dispose of the same according to Seller's instructions. Payment or transfer of title shall not constitute acceptance. Buyer may return or reject as applicable any non-conforming goods or services to Seller for reimbursement, credit, replacement or correction as Buyer may direct, or Buyer may correct and/or replace such goods or services at Seller's expense. If Seller fails to correct or

replace non-conforming goods or services, per Buyer's direction, in a timely manner, Buyer may cancel the order as to all such goods or services, and in addition, may cancel the then remaining balance of the order. Any goods rejected by Buyer will be held by Buyer temporarily at Seller's risk and expense. Seller will reimburse Buyer for any packaging, handling and transportation costs Buyer incurs with respect to rejected goods. Buyer may revoke its acceptance of goods at any time, whether or not a substantial modification to the goods has been made, if Buyer finds a previously undiscovered defect in the goods which materially affects form, fit or function or substantially impairs the value of the goods to Buyer.

## **12. BUYER'S CHANGES**

Buyer shall have the right at any time prior to the delivery date of the goods or services to direct changes to, or to cause Seller to make changes in, drawings, specifications, descriptions, packaging, time and place of delivery, inspection/testing, scope, nature and duration of services, and/or method of transportation. Seller is required to promptly implement such changes. Within ten (10) days after receipt of a change notice from Buyer, Seller shall notify Buyer of its proposed adjustment, if any, for the requested change including a cost breakdown and substantiation for the adjustment, whether by way of increase or decrease, and the parties shall negotiate an equitable adjustment. Any adjustment may only include reasonable, direct costs that will necessarily be incurred as a direct result of the requested change. Any Order terms that incorporate flexibility for variations or modifications shall not be considered changes within the meaning of this section and shall not be subject to adjustment unless specifically stated in the Supply Agreement. If Seller fails to provide a proposed adjustment within ten (10) days of receipt of Buyer's change notice, Seller's claim for adjustment shall be deemed waived. Notwithstanding the foregoing, Seller may not charge Buyer any additional fee, and shall not be entitled to an adjustment in Price, to the extent Buyer's requested changes are to the delivery date and such new delivery date is no more than ninety (90) days after the originally scheduled delivery date.

## **13. CANCELLATION/TERMINATION**

In addition to its other rights hereunder, Buyer reserves the right to cancel an Order or any part thereof without further cost or liability if Seller breaches any of the provisions of the Agreement or Order, or if Seller becomes insolvent or the subject of any proceeding under the law relating to bankruptcy or the relief of debtors. Buyer further reserves the right to terminate any Order or any part thereof for the sole convenience of the Buyer. If such termination right is invoked, all reasonable non-cancellable direct costs actually incurred by Seller up to the date of termination of the Order will be reimbursed, provided Seller establishes an entitlement thereto. Buyer may terminate immediately if Seller or any of its directors, officers, or employees becomes for any reason persona non-grata in the jurisdiction where work is performed or to any government, government official, or Seller fails or refuses to cooperate with any Buyer audit or investigation; or, as applicable, fails to comply with laws or regulations applicable to U.S. federal government contracts. In such circumstance, Buyer shall be: (i) relieved of its obligation to make further payments to the Seller; and (ii) entitled to recover damages arising from such breach.

Notwithstanding the foregoing, Buyer shall be entitled to terminate Agreement or Order immediately if Seller breaches Sections 7 or 8 of Attachment C. In the event of a termination due Seller or a sub-tier supplier being a Restricted Party (as defined in Attachment C) or providing goods, software, or services from a Restricted Territory (as defined in Attachment C), no payment shall be due to Seller, unless and until the relevant government agency authorizes such amounts

## **14. ASSIGNMENT/SUBCONTRACTING**

No right or interest in any order shall be assigned by Seller without the written permission of Buyer. Any attempted assignment or delegation without such permission shall be wholly void and totally ineffective for all purposes. Seller shall not retain any third party to perform work without Buyer's express written consent. The Seller shall remain liable for performance notwithstanding the approval of an assignment or subcontract. Any person or entity to which the order is assigned pursuant to the provisions of applicable bankruptcy or insolvency laws shall be deemed without further act or deed to have assumed all of the obligations arising under the order on and after the date of such assignment. Any such assignee shall upon demand execute and deliver to Buyer an instrument confirming such assumption. Any order may be assigned to any person by Buyer, and Seller

hereby agrees to any such assignment without recourse to Buyer.

## 15. CHANGE IN CONTROL; ACQUISITION; DIVESTITURE

1. Change in Control. At least ninety (90) days prior to the proposed effective date of a change in control, Seller will notify Buyer in writing thereof and provide the identity of the potential new controlling party and information on such party and the transaction as Buyer may request, consistent with applicable law and confidentiality restrictions. To the extent permissible by applicable law, Buyer shall then have the right for a period not to exceed ninety (90) days from the effective date of such change in control to terminate this Agreement. A change in control of Seller is deemed to have occurred if there is either (a) a change in the beneficial ownership of Seller, either directly or indirectly, of 50% or more; provided, that, any change, of any amount, in the beneficial ownership of Seller, either directly or indirectly, which involves a direct or indirect competitor of Buyer shall be deemed a change in control; or (b) a change in Seller's current (as of the effective date of the order) corporate governance regime, whether direct or indirect, with respect to decision-making on financial and / or operational policies and/or actions of Seller.

2. Acquisition. If Buyer acquires ownership or control of a business entity (the "**Acquired Business**"), the Acquired Business shall have the option to (i) continue to purchase goods and/or services pursuant to any pre-existing agreement between Seller and the Acquired Business and/or (ii) cancel any pre-existing agreement and purchase goods and/or services at the same price, terms and conditions as set forth in the Agreement.

3. Divestiture. Should Buyer sell, transfer or otherwise divest itself (via spin-offs, restructurings or otherwise) of its equity ownership in, or all or substantially all of the assets in, any affiliate, business unit or division of Buyer (subsequently referred to as "**Divested Unit**"), Buyer shall have the right at any time before or up to six (6) months after such divestiture to require Seller by written notice to continue to fulfill current orders and accept new orders from Divested Unit at the same price, terms and conditions as set forth in the Agreement.

## 16. BUYER'S PROPERTY

All tools, equipment dies, gauges, models, drawings, specifications or other materials furnished by the Buyer to Seller or made by Seller for the purpose of the order or paid for by the Buyer, and all replacements thereof and materials fixed or attached thereto, shall be and remain the property of the Buyer. All Buyer's property and, whenever applicable, each individual item thereof, will be plainly marked and otherwise adequately identified by Seller as "Property of Carrier Corporation" (or as otherwise directed by Buyer), and will, at Seller's expense, be safely stored (separate and apart from Seller's property whenever practicable) and will be kept free of all liens, claims, encumbrances and interests of third parties. Seller will not substitute any property for Buyer's property, will not deliver or make available to any third party any of Buyer's property or any property or goods developed, manufactured or created with the aid of any of Buyer's property and will not use any of Buyer's property or any property or goods manufactured, developed or created with the aid of Buyer's property, except in filling the orders of Buyer. Seller shall ensure all Buyer's property in Seller's possession remains in good working condition and shall be responsible for all related maintenance. Upon completion of the order, or upon the written request of Buyer at any time, Seller will prepare all Buyer's property for shipment and deliver such property to Buyer in the same condition as originally received by Seller, reasonable wear and tear excepted. Buyer shall have the right, at all reasonable times upon prior notice, to enter Seller's premises to inspect any and all Buyer's property and any property or goods manufactured, developed or created with the aid of any of Buyer's property. Seller shall have such responsibility for Buyer's property as is chargeable to Seller by law by reason of its position as a bailee.

## 17. CODE OF CONDUCT

Seller shall comply in all aspects, and take commercially reasonable steps to ensure compliance by its subcontractors, with the principles set forth in the Supplier Code of Conduct located on Buyer's website, currently at:

[https://www.corporate.carrier.com/Images/Carrier\\_Supplier\\_Code\\_of\\_Conduct\\_FINAL\\_tcm558-76603.PDF](https://www.corporate.carrier.com/Images/Carrier_Supplier_Code_of_Conduct_FINAL_tcm558-76603.PDF)



Any breach of this provision shall constitute a breach of the Agreement and/or Order. As it concerns the use of child or forced labor, Seller shall ensure compliance by its subcontractors with the terms of the Supplier Code of Conduct, and any breach of this provision by Seller or its subcontractors shall constitute a breach of an order and this Agreement.

## 18. CONFIDENTIAL AND/OR PROPRIETARY INFORMATION

“Confidential Information” and/or “Proprietary Information” (hereinafter referred to collectively as “**Proprietary Information**”) shall, for the purpose of the order, mean: (i) information, knowledge or data disclosed by Buyer to Seller, regardless of whether disclosed in written, tangible, oral, visual or other form and (ii) information, knowledge or data which was obtained from facility visits. In the event Buyer furnishes sample goods, drawings, specifications, equipment, or other objects or material, including software, to Seller, the items so received and any information contained therein shall be treated as Proprietary Information disclosed to Seller under the order. Furthermore, any and all information obtained or derived from said items, including results from testing, shall be treated as if they were Proprietary Information disclosed pursuant to the order. All Proprietary Information disclosed in any documentary or tangible form, whether in written or electronic form may be marked “Proprietary” or “Confidential” and if the Proprietary Information is not so identified, it will be considered proprietary if by its very nature or the circumstances under which it is disclosed one would reasonably consider it to be proprietary. Seller shall use Buyer’s Proprietary Information solely for the purposes of supporting the current business relationship with Buyer and not for any other purpose. To the extent Seller and Buyer have executed a separate non-disclosure agreement (the “NDA”), the NDA shall govern the treatment of Proprietary Information until its expiration or termination. Following expiration or termination of the NDA, Seller agrees that it shall not disclose Buyer’s Proprietary Information to any third party without Buyer’s express written consent. Seller may disclose Buyer’s Proprietary Information to contract workers, consultants and agents of Seller who have a need to know and who have executed agreements with Seller obligating them to treat such information in a manner consistent with the terms hereof. Seller shall not (a) sell parts or components incorporating or containing Buyer Proprietary Information to any third party including, without limitation, any goods having the same product numbering or other identification as any parts or components sold to Buyer), or (b) sell any goods or services to any third party which have been produced using Buyer Proprietary Information.

Notwithstanding the foregoing provisions, the order shall not restrict or affect Seller’s rights to use or disclose information: (1) which is or may hereafter be in the public domain through no fault of Seller; or (2) which Seller can show, as reflected by its written documents, was known to it prior to the disclosure by Buyer; or (3) which is disclosed to Seller by a third party, without restrictions similar to those herein imposed, subsequent to disclosure by Buyer; or (4) which Seller can show, as reflected by its documents, was independently developed by Seller without the use of the Proprietary Information.

## 19. INTELLECTUAL PROPERTY

All inventions, patents, patent applications, copyrights, design rights, trade secrets, know-how or other industrial or intellectual property and related information and embodiments, associated with, or used in or for, the development, testing, manufacturing and maintenance of the goods shall be identified herein as “**Intellectual Property**”. Such related information and embodiments include, without limitation, test results, tooling, jigs and fixtures, samples, Software, Firmware, source code, designs, processes, drawings, prints, specifications, reports, data, technical information, and instructions.

All Intellectual Property owned by Seller prior to entering into this Agreement (“**Seller Background Property**”) shall remain owned by Seller. Seller hereby grants and promises to grant to Buyer a worldwide, non-exclusive, perpetual, fully-paid, irrevocable, sub-licensable license to Seller Background Property to use, sell, offer for sale, import, export, copy, adapt, embed, modify, make derivative works, make and have made goods, services or the like for Buyer.

Seller will notify Buyer of any third party license terms or restrictions that limit Buyer’s use of the Seller Background Property or impose any obligations on Buyer and will provide Buyer with copies of the third party agreements and acquire additional licenses as needed by Buyer to practice its rights under the order.



**“Buyer Project Property”** shall mean all Intellectual Property and tangible work product conceived, created, acquired, or first reduced to practice in connection with an Order. Buyer shall own all Buyer Project Property. Seller shall not have any rights in Buyer Project Property except as Buyer may grant for the purposes of manufacturing goods for Buyer. Seller shall execute assignments and other documents and take any other actions which, in the opinion of Buyer, are necessary to secure Buyer's rights hereunder. Seller represents that it has taken no action to assist in the registration of the copyrights or patents on the Buyer Project Property and will do so only as and when requested by Buyer.

Seller will contractually bind its employees and other persons or parties as may be used by Seller in the performance of the order to the obligations established under this Section 19.

Seller warrants that the goods and or services will be created originally by Seller or employees of Seller within the scope of their employment and with a written obligation to assign all right, title, and interest in the goods and or services and associated Intellectual Property to Seller, including the rights enumerated and assigned to Buyer herein, or by subcontractors with a written obligation to assign all right, title, and interest in the goods and or services and associated Intellectual Property to Seller or, to the extent that goods and or services include third party parts, components or software, that Seller has acquired the necessary rights for unencumbered use of the parts, components or software in the goods.

Seller warrants that in the event of a breach of obligations by an employee or other person or party as defined in this section, Seller will enforce the contractual provisions and, upon the written request of Buyer, permit Buyer to enforce the contractual provisions in Seller's name.

Seller warrants that the goods and associated services will not contain Software or Firmware subject to a Restrictive Open Source License without Buyer's prior written approval and that to the extent any such use is approved by Buyer, Seller will take the appropriate steps to ensure the goods and associated services are free of all encumbrances. **“Restrictive Open Source License”** means a license that requires as a condition of use, modification, or distribution of software subject to the license, that the software or other software combined or distributed with the software be (a) disclosed or distributed in source code form; (b) licensed for the purpose of making derivative works; or (c) redistributable at no charge.

Seller warrants, to the extent applicable to the goods and or services, that they are free of viruses and other sources of network corruption.

Seller warrants that it is in compliance with all agreements (including license agreements) with third parties that relate to the Seller Background Property. For goods or services that incorporate or utilize Artificial Intelligence (AI) components, Seller shall additionally comply with the AI Intellectual Property requirements set forth in Attachment E – Artificial Intelligence.

Seller shall not sell to any third party any parts, components, products, systems or processes produced using Buyer's Proprietary Information, Buyer's Intellectual Property or Buyer Project Property. Seller shall not label, advertise, market, or promote any parts, components, products, systems or processes in any way that indicates that they are a “replacement” or “substitute” for any parts, components, products, systems or processes that Seller manufactures or has manufactured for and/or sold to Buyer including, without limitation, display or use by Seller of any product/part number assigned to such parts, components, products, systems or processes by Buyer or Seller. Except as expressly authorized herein, nothing in the order shall be construed as Buyer granting Seller a license in or any right to use any Buyer Project Property other than in the performance of work under the order.

## 20. COMPLIANCE WITH LAWS

Seller shall comply with all national, federal, provincial, state and local laws, rules, ordinances, orders (including court orders) and regulations made or issued by a governmental authority applicable to the performance of the Agreement, except to the extent inconsistent with U.S. antiboycott laws, including (i) the manufacture or provision of goods and the supply of services, (ii) the shipping of goods, and (iii) the configuration or content of goods and/or services for the use intended by Buyer (collectively **“Applicable**

**Law”).** Seller agrees to cooperate with and support Buyer’s efforts to comply with all Applicable Laws. A partial and non-exclusive list of Applicable Laws and related compliance obligations is incorporated as **Attachment C – Applicable Law/Compliance Obligations**. For goods or services that incorporate or utilize Artificial Intelligence (AI), Applicable Law shall also include all regulations and frameworks governing AI technologies as further detailed in Attachment E – Artificial Intelligence. Breaches of Applicable Laws, as well as compliance obligations assigned to Seller in Attachments C or E, shall be considered breaches of an Order and this Agreement.

20.1 Seller recognizes that Buyer may fall within the scope of and may have to comply with specific laws requiring certain due diligence, disclosure, and/or other actions to ensure the protection of certain fundamental human rights and the environment including, without limitation, the German Act on Corporate Due Diligence Obligations in Supply Chains (*Lieferkettensorgfaltspflichtengesetz*) (each such law individually referred to as a “**Statutory Due Diligence Obligation** and, together “**Statutory Due Diligence Obligations**”. To the extent any Statutory Due Diligence Obligation applies to any transaction between Seller and Buyer, Seller agrees to comply with the obligations for each such Statutory Due Diligence Obligation set forth in **Attachment D –Corporate Due Diligence Obligations**.

## 21. PERFORMANCE OF SERVICES

Seller agrees that any services it performs constitute work in its status as an independent contractor. Seller confirms that it exercises control over its employees, contractors, and agents, and that none is acting under the control of Buyer. Seller agrees to indemnify and hold Buyer Indemnitees harmless against any claim by its employees, contractors or agents that they are acting under Buyer’s control and qualify in any way as Buyer’s employees.

## 22. REMEDIES

Buyer’s remedies shall be cumulative and remedies herein specified do not exclude any remedies allowed by law or equity. Anything set forth in this Agreement to the contrary notwithstanding, Seller will reimburse Buyer for any damages caused by Seller’s breach or by providing defective or nonconforming goods and or services, including without limitation costs, expenses and losses incurred directly or indirectly by Buyer, Buyer’s customers or End Users: (a) in inspecting, assessing, sorting, repairing or replacing the defective/nonconforming goods and or services; (b) resulting from production or supply interruptions; (c) conducting recall campaigns or other corrective service actions; or (d) resulting from personal injury (including death) or property damage caused by the defective/nonconforming goods or services. In addition to, and not in lieu of, the foregoing remedies Seller agrees it shall pay to Buyer the following administrative fees to help offset the additional administrative burden placed on Buyer as a result of certain acts or omissions of Seller: \$250 for each late delivery; \$250 for each quality defect (per product) and \$250 for every receiving issue (e.g. damaged packages, incorrect quantity, missing or insufficient documentation, etc.)

## 23. TITLE

Title to all goods shall vest in Buyer upon full payment for or delivery of the goods to the Carrier Location, whichever occurs first. However, to the extent goods need to be imported by Buyer, the title vests in Buyer before importation. Unless otherwise indicated in the Agreement, Seller bears all risk of loss or damage to the goods until delivery to the Carrier Location

## 24. INSURANCE

24.1 During the Term of this Agreement, Seller shall maintain the following types and minimum amounts of insurance coverage issued by companies authorized to do business under the laws of the State or jurisdiction in which all or part of the Services are to be performed, and must have an AM Best financial rating of A- or better or an equivalent rating as produced by another rating agency acceptable to Buyer.

24.2 Workers’ Compensation Insurance, in an amount as required by law and Employer’s Liability Insurance in the minimum amount of \$1,000,000 for any one occurrence. If such work involves Temporary or

Leased employees, or employees of others working under direction of Carrier such coverage shall be inclusive of an alternate employer endorsement.

24.3 Commercial General Liability Insurance and Umbrella Liability insurance including premises liability and contractual liability, in which the limit of liability for property damage and bodily injuries, including accidental death, shall be at a minimum, a combined single limit of \$5,000,000 for any one occurrence;

24.4 If Seller vehicles are used on Buyer's premises and/or used to accomplish work under the order or otherwise on behalf of Buyer, Automobile Liability Insurance and Umbrella Liability Insurance in which the limit of liability for property damage and bodily injuries, including accidental death, shall be at a minimum, a combined single limit of \$2,000,000 for any one accident;

24.5 If Seller or its subcontractors have Buyer's materials or equipment in its care, custody or control, Seller shall have and maintain All-Risk Property Insurance in an amount sufficient to meet or exceed the replacement value of such materials or equipment;

24.6 If Seller is performing professional services on behalf of Buyer, Seller shall maintain Professional Liability Insurance with a limit of no less than \$5,000,000 per claim;

24.7 If Seller has access to Buyer's or Buyer's customer's computer systems and data bases, processes, store, or will hold any Buyer information, is rendering computer, coding or information technology services and/or technology goods on behalf of Buyer, Technology Errors and Omissions Liability Insurance with a limit of not less than \$10,000,000 per claim, which insurance shall include, at a minimum, coverage for liabilities arising from errors, omissions, or negligent acts in rendering or failing to render such services and goods,; privacy breach, system breach, denial or loss of service, introduction, implantation, or spread of malicious software code, and unauthorized access to or use of computer systems and

24.8 All insurance including self-insured retention or self-insurance will be primary and non-contributory in the event of loss arising out of Seller's performance of work. All such policies except the Professional Liability/Errors & Omissions Liability and Workers compensation shall include endorsement naming Buyer as an additional insured, or in the case of All-Risk Property insurance include the Buyer as a loss payee. To the extent permitted by law, Seller and its insurer(s) agree that subrogation rights against Buyer and its parent are hereby waived. Seller shall furnish a certificate of insurance and any such endorsements reflecting such coverage to Buyer upon request. Buyer's failure to monitor compliance or to object to noncompliance or unsatisfactory compliance with any terms of these insurance requirements does not modify or waive Seller's obligations under the terms of these insurance requirements in any way. Policies shall contain a provision prohibiting cancellation, non-renewal or material change except upon at least 30 days' notice and Seller shall provide written notice to Buyer within at least 10 days of such notice from insurers.

## **25. AUDIT RIGHTS**

Upon reasonable notice, Buyer or its duly authorized representative shall have the right to audit Seller's compliance with any of the provisions herein at Seller's facility. Seller shall timely reply with request during such audit and shall provide reasonable support to Buyer and its duly authorized representative to complete the audit within Buyer's established timeline. Where Buyer discovers material noncompliance with the terms of the Agreement, or where Seller delays increase the cost of the audit, Seller shall reimburse Buyer for costs of the audit.

## **26. GOVERNING LAW / DISPUTE RESOLUTION**

The Agreement shall be construed and enforced according to the laws of the State of New York, excluding its "choice of law" or "conflict of law" rules. If any dispute occurs between the Seller and Buyer arising from, relating to, or in connection with the Agreement, an order, the services performed or the goods purchased from Seller each of the parties shall promptly attempt in good faith to resolve same by negotiation through the parties' authorized representatives. If the parties are unable to resolve such dispute despite such good faith efforts, the parties shall submit such dispute to their respective executive leadership. At any time, at Buyer's election, the

parties shall participate in mediation to assist in resolving the dispute. The mediator shall be selected as follows: (a) Each party shall propose a slate of three mediators to the other party in rank order (1 being the highest ranking/most preferred and 3 being the lowest ranking/least preferred); (b) if a mediator or mediators appears on both parties' slates, the mediator ranked most highly on average by both parties shall be selected; (c) if no mediator appears on both parties' slates, each party shall strike two of the other party's proposed mediators and the mediator shall be selected through an agreed-upon random process. The mediation shall be in-person in Palm Beach County, FL, unless both parties agree in writing to a different location. The costs of the mediation shall be borne equally by the parties. The parties agree that any claim or dispute arising from, relating to, or in connection with the Agreement, or the services performed or the goods purchased from Seller (whether or not such claim is based upon breach of contract or tort or any other legal theory), that is not settled by negotiation or mediation after a reasonable period of time (which shall not exceed 90 days) shall be subject to the exclusive venue and jurisdiction of the federal court located in Manhattan, New York, USA or in the event that such federal court does not have jurisdiction, in the commercial division or complex commercial litigation division of the state court in Manhattan, New York, USA. Each party hereby irrevocably waives any objection to jurisdiction or venue of any action instituted in accordance with the jurisdiction and venue terms hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon the doctrine of *forum non conveniens* and hereby appoints the Secretary of State of New York or other applicable governmental authority for receiving service of process as agent for service of process. This choice of venue is intended to be mandatory and not permissive, thereby precluding litigation between the parties concerning any claim or dispute arising from, relating to, or in connection with the Agreement, or the services performed or the goods purchased from Seller (whether or not such claim is based upon breach of contract or tort or any other legal theory) in any jurisdiction other than in Manhattan, New York, USA. Each of the parties hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any such litigation. In any such litigation, the prevailing party shall be entitled to recover from the other party all of its reasonable costs and expenses incurred in such suit or legal proceeding, including reasonable attorneys' and experts' fees.

For contracts with Singaporean suppliers, the governing law shall be Singaporean law and disputes shall be subject to Singaporean courts. For cross-border contracts, parties are encouraged to adopt arbitration clauses (e.g., SIAC, ICC) enforceable under the New York Convention.

## **27. SEVERABILITY / NO WAIVER**

If any provision herein shall be held by a court of competent jurisdiction to be contrary to law, the remaining provisions shall remain in full force and effect. The failure of a party to enforce any provision hereof promptly shall not be construed as a waiver of such provision or of the right of such party to enforce such provision at a later time. Acceptance of any goods or services or payment thereof shall not waive any breach.

## **28. EXCLUSION OF U.N. CONVENTION ON INTERNATIONAL SALES**

The United Nations Convention on Contracts for the International Sale of Goods shall not apply to any transactions subject to these Terms or the applicable Agreement.

## **29. SUSTAINABILITY**

Buyer and Seller hereby recognize the value in supporting initiatives which strive to achieve excellence in environmental and social performance. Seller acknowledges having read Carrier's 2030 ESG Goals as set forth at <https://www.corporate.carrier.com/corporate-responsibility/our-sustainability-goals/> as may be amended from time to time ("**Sustainability Goals**") and agrees to take reasonable and timely action to support Buyer's achievement of the Sustainability Goals including, without limitation, collecting information throughout Seller's supply chain on the origin and use of specific materials in the goods sold to Buyer, participating in assessments and responding to Buyer's requests for information. Seller further agrees to comply with all Buyer's published policies on sustainability as they exist from time to time and all current and subsequently enacted laws and regulations regarding sustainability applicable to Buyer, Buyer's customers or the goods or services. Carrier's current ESG Report can be found online at <https://www.corporate.carrier.com/corporate-responsibility/esg-report/>



### 30. DUTY TO PROCEED

Notwithstanding the existence of any claim(s), disagreement(s), dispute(s) or dispute resolution proceedings (including, without limitation, litigation) (collectively, “Disputes”) between the parties, Seller shall proceed diligently with performance of the Agreement including, without limitation, acceptance of Purchase Orders/Releases, timely delivery of all Products and/or timely completion of all services. Disputes will be resolved solely in accordance with the terms of this Agreement. Seller acknowledges that due to the qualification and lead-time requirements for acquiring the Products from another source, any failure to comply with this duty to proceed obligation that involves a failure or a refusal to ship Products or otherwise perform, shall cause Carrier immediate damages that are not readily ascertainable and for which obtaining an adequate remedy is inconvenient or infeasible. Therefore, in the event of such non-compliance with Seller’s duty to proceed, Seller: (i) agrees to pay to Carrier liquidated damages in the amount of FIFTY THOUSAND DOLLARS (\$50,000) per day for each calendar day Seller does not comply with its duty to proceed ( “Manufacturing Disruption Damages”); and (ii) agrees that Purchaser has the right to set off Manufacturing Disruption Damages, in whole or in part, against any amount Purchaser owes Seller or any of Seller’s affiliates. Seller acknowledges and agrees that that Manufacturing Disruption Damages are not a penalty but a fair and reasonable estimate of the actual damages Purchaser will sustain in the event of Seller’s breach of its duty to proceed.

### 31. PRODUCT SAFETY

Seller warrants that the goods meet or exceed all applicable legal and regulatory requirements and industry standards. Seller further warrants that the goods meet or exceed all applicable Buyer standards governing safety-critical characteristics and/or components as set forth in Buyer specifications. To the extent that Seller becomes aware of a condition that may affect the safety of the goods, Seller agrees to (i) notify Buyer of such as soon as possible and to take all reasonable steps to prevent the potentially unsafe goods from entering the marketplace, and (ii) cooperate with Buyer in any investigation, safety review, assessment, analysis, etc. to determine the root cause of the potentially unsafe condition. To the extent that potentially unsafe goods entered the marketplace and the root cause of the unsafe condition was caused, in whole or in part, by Seller, Seller agrees to assist Buyer in any activities (including but not limited to product recall, field retrofit, inspection etc.) designed to minimize safety risk related to the affected goods, including reimbursement for costs incurred by Buyer in undertaking or participating in such activities. Failure to comply with the requirements set forth in this section shall constitute a material breach of the order.

### 32. EQUAL OPPORTUNITY OBLIGATION

**Buyer and Seller as a contractor and subcontractor shall abide by the requirements of 41 CFR 60–1.4(a), 60–300.5(a) and 60–741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, national origin, or for inquiring about, discussing, or disclosing information about compensation. 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.**

### 33. ENTIRE AGREEMENT / MODIFICATION

The Agreement, whether a Supply Agreement or Order Agreement, constitutes the entire agreement between Seller and Buyer with respect to the matters contained in the respective Agreement. No shrink-wrap, click-wrap, or other terms and conditions, policies, or agreements (“**Additional Terms**”) provided with any goods, services, documentation or software, including any maintenance and support updates thereto, hereunder shall be binding on Buyer, even if use of such items requires an affirmative “acceptance” of those Additional Terms before access is permitted. All such Additional Terms shall be of no force or effect and shall be deemed rejected by Buyer in their entirety. The Agreement may only be modified by a written instrument executed by each Party. Buyer may modify these Terms with respect to future Orders at any time by posting revised Terms to its web site at <https://www.corporate.carrier.com/suppliers/terms-conditions/> and such revised Terms will apply to all Orders



issued thereafter. By furnishing goods to Buyer, Seller acknowledges and agrees to be bound by these Terms and any future changes in them.

## ATTACHMENTS

A copy of the most recent versions of each of Carrier's Attachments A, B, C and D which are incorporated by this reference into the Terms may be found at <https://www.corporate.carrier.com/suppliers/terms-conditions/>

- A. [ATTACHMENT A](#) – DATA PRIVACY & SECURITY FOR CARRIER INFORMATION
- B. [ATTACHMENT B](#) – ACCESS TO FACILITIES OR SYSTEMS
- C. [ATTACHMENT C](#) – APPLICABLE LAW/COMPLIANCE OBLIGATIONS
- D. [ATTACHMENT D](#) – CORPORATE DUE DILIGENCE OBLIGATIONS
- E. [ATTACHMENT E](#) – ARTIFICIAL INTELLIGENCE



## STANDARD TERMS & CONDITIONS OF PURCHASE

### ATTACHMENT A

#### DATA PRIVACY & SECURITY FOR CARRIER INFORMATION

The following clauses of this policy are incorporated into Carrier's Standard Terms & Conditions of Purchase which may be found at <https://www.corporate.carrier.com/suppliers/terms-conditions/> (the "**Terms**") and any Agreement whenever the Seller acts as a Data Controller including, but not limited to, collecting or processing Personal Information and/or storing Carrier Information on Carrier's behalf. All capitalized terms used in this policy but not defined shall have the same meaning given to them in the Terms.

#### A. DATA PRIVACY

1. The following definitions are applicable to this data privacy clause ("**this Clause**"):
  - a) "**Data Privacy Laws**" means any national, federal, state, and provincial laws applicable to the processing of Personal Information by Supplier in the course of the performance of the Agreement.
  - b) "**Personal Information**" means any information relating to an identified or identifiable natural person ("**Data Subject**") who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person. For the sake of clarity, Personal Information includes, without limitation, any information qualifying as personal data under Data Privacy Laws.
  - c) "**Data Breach**" means any actual or reasonably suspected incident leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, Personal Information transmitted, stored or otherwise processed.
  - d) "**Data Controller**:" means the natural or legal person, public authority, agency or other body which, alone or jointly with others, determines the purposes and means of the processing of Personal Information. If unclear, the term data controller will be interpreted as per the European Union's General Data Protection Regulation ("**GDPR**").
  - e) "**SCCs**" means the "**EEA Standard Contractual Clauses**" being the standard contractual clauses approved by the European Commission Implementing Decision (EU) 2021/914 of 4 June 2021 and the "**UK Standard Contractual Clauses**" being the International Data Transfer Addendum to the EEA Standard Contractual Clauses issued by the Information Commissioner ("**ICO**") under section 119A of the Data Protection Act 2018.
2. Supplier shall:
  - a) comply with all applicable Data Privacy Laws;
  - b) neither sell, nor exchange for anything of value, Personal Information processed hereunder in the course of the performance of any Order and thereafter;
  - c) in the performance of an Order, not process Personal Information for any purposes other than to provide the products and or services, and shall not disclose such Personal Information to any third party, unless requested to do so by Carrier or where mandated by law, e.g., through regulatory request for, subpoena, search warrant, or other legal, regulatory, administrative, or governmental process seeking disclosure of Personal Information. Supplier shall use commercially and legally reasonable efforts to limit the nature and scope of the required disclosure to the minimum amount of Personal Information required to comply with applicable

law. Unless prevented by applicable law, Supplier shall provide Carrier with advance written notice of any such disclosure request sufficient to allow Carrier to contest legal, regulatory, administrative, or other governmental processes, and shall co-operate with Carrier to limit the scope of the disclosure to what is strictly required by law;

- d) immediately inform Carrier if, in the Supplier's opinion, the collecting or processing Carrier Personal Information pursuant to this Clause infringes Data Privacy Laws;
- e) notify Carrier promptly in writing of any (new) Data Privacy Laws that (i) potentially impact Supplier's ability to deliver the goods or provide the services, (ii) mandate any specific contractual terms to be added herein, or otherwise require any amendment to this Clause, or (iii) which impose any obligations on Carrier or Supplier that deviate from this Clause;
- f) where Supplier engages a sub-processor for carrying out specific processing activities (on behalf of Carrier), only do so by way of an agreement which imposes on the sub-processor, in substance, the same or equivalent data protection obligations as the ones imposed on Supplier in accordance with this Clause. Supplier shall ensure that the sub-processor complies with the obligations to which the Supplier is subject pursuant to this Clause and applicable Data Privacy Laws. Supplier shall remain fully responsible and liable for the acts and omissions of any sub-processor or other such third-party subcontractor, that processes Carrier Personal Information on Supplier's behalf in the same manner and to the same extent as it is responsible for its own acts and omissions with respect to such Carrier Personal Information. Supplier shall notify Carrier of any failure by the sub-processor to fulfil its contractual obligations;
- g) take reasonable steps to ensure the reliability of Supplier's employees, agents, representatives, subcontractors, subcontractor employees, or any other person used by the Supplier ("**Supplier's Personnel**") who have access to Personal Information provided by Carrier, including by (i) ensuring that all Supplier's Personnel are obligated to maintain the confidentiality of Personal Information by contractual or legal obligations of confidentiality in favour of Carrier equivalent to those in the Terms, (ii) ensuring that Supplier's Personnel comply with the terms of this Clause, and (iii) ensuring that each member of Supplier's Personnel has undergone appropriate training in data protection, and has received the necessary instructions to process Personal Information in accordance with this Clause. In any event, the Supplier shall limit access to the Personal Information to Supplier's Personnel on a strict need-to-know basis. Supplier shall regularly review the list of Supplier's Personnel who have access to the Personal Information and immediately withdraw access, if no longer necessary;
- h) assist Carrier in ensuring compliance with the following obligations, taking into account the nature of the Personal Information processing and the information available to the Supplier. The obligation to: i) conduct a '**Data Protection Impact Assessment**' – (D)PIA; ii) conduct a Transfer Impact Assessment ("**TIA**"); iii) consult the competent authorities prior to processing where a (D)PIA indicates that the processing would result in a high risk in the absence of measures taken by Carrier to mitigate the risk; iv) ensure that Personal Information is accurate and up to date, by informing Carrier without delay if the Supplier becomes aware that the Personal Information it is processing is inaccurate or has become outdated; v) the obligations in Article 32 GDPR and Articles 33, 36 to 38 GDPR; vi) provide a privacy notice to data subjects with whom the Supplier has direct contact unless Supplier and Carrier agree in writing that the privacy notice obligation is solely Carrier's responsibility; vii) notify Carrier immediately if Supplier receives any request from any competent authority relating to Personal Information or any complaint from an individual about the processing of Personal Information in relation to the providing of goods and/or services. Supplier shall co-operate with Carrier and, where applicable, with any competent authority to permit Carrier to respond to the correspondence or complaint; viii) the obligation (a) to notify Carrier immediately if Supplier receives any legally binding request for disclosure of the Personal Information by a law enforcement authority

unless otherwise prohibited, (b) to examine such request for data and appropriately narrow and challenge requests which are not necessary and proportionate and (c) to provide assistance such as reasonable requested by Carrier;

- i) permit Carrier to take reasonable steps to monitor compliance with its obligations under this Clause, including by inspecting Supplier's data processing facilities, procedures, documentation, and by allowing and contributing to audits. Provisions of the Terms that apply to audits of any kind, shall equally apply to any audits related to the compliance with the Data Privacy Laws or Supplier's obligations stipulated under this Clause. Without prejudice to the foregoing, Supplier shall allow for, collaborate with Carrier and contribute to audits and inspections conducted by Carrier or by an auditor mandated by Carrier, in a manner commensurate to (i) the nature and intensity of the risks associated with the processing of Personal Information under an Order, and (ii) the degree of urgency and the severity of the actual or suspected potential breach to the Parties' obligations under Data Privacy Laws. In general, Carrier shall give Supplier a prior notice of no less than 30 days prior to conducting such audits, unless an earlier audit/inspection is required by the applicable Data Privacy Laws or mandated by the competent authorities;
- j) provide Carrier - upon its first request - with any audit reports issued under ISO 27001, ISO 29100, SSAE 16 (or SAS 70), SSAE 18, SOC 2, OR ISAE 3402 that covers Carrier Personal Information;
- k) implement and maintain appropriate technical, physical, organizational, administrative and contractual measures (including the use of encryption, restrictions of physical access to any locations containing Personal Information provided by Carrier, such as the storage of such records in locked facilities, storage areas, or containers, back-up and disaster recovery systems, and any such other measures as necessary or mandated pursuant to applicable Data Privacy Laws, as well as, without limitation, any security measures) to ensure a level of security appropriate to the risk, to avoid unauthorised or unlawful processing of Personal Information, as well as accidental or unlawful loss, destruction, alteration, disclosure, access, storage or any damage to Personal Information. Supplier must periodically test and re-evaluate such technical, physical, organizational and administrative security measures adopted to ensure that they remain appropriate and effective.

3. If Supplier becomes aware of any actual or suspected incident, event, risk or intrusion that, alone or in combination with other circumstances, can subsequently result in, entail or otherwise bring about a Data Breach, as defined above (hereinafter referred to as an "**Incident**"), Supplier shall:

- take all reasonable actions and measures needed to contain and remedy the Incident, wherever possible;
- assist Carrier and provide Carrier with any available information regarding the investigation, remediation and analysis of the Incident, unless specifically restricted to do so under applicable laws;
- as soon as becoming aware of such Incident, notify Carrier of all available details relating to such Incident, investigate further and provide Carrier with all additional details, information or conclusions as they become available to Supplier in the course of investigating the Incident;
- if required, provide a detailed explanation alongside the initial notification of why a comprehensive notification of the Data Breach could not be done earlier, so as to enable Carrier to engage with the supervisory authority in accordance with Data Privacy Laws, if need be through an iterative process;
- ensure that Carrier has all the information necessary to notify such Incident to the competent authorities in accordance with the Data Privacy Laws, including, without limitation, the categories and approximate number of data subjects concerned, the categories and approximate number of records concerned, the name and contact details of the contact point where more information concerning the Incident can be obtained, the likely consequences of

such Incident and the measures taken or proposed by the Supplier to mitigate the potential adverse effects thereof;

- promptly initiate, at its own costs, a full investigation into the circumstances surrounding the Incident, and make any reports or notes of the investigation available to Carrier as soon as possible;
- fully co-operate, at Supplier's cost, with Carrier's investigation and provide any assistance requested by Carrier in order for Carrier to investigate the Incident, and possibly notify the Data Breach to the competent authority in accordance with the Data Privacy Laws;
- not make any notification, announcement or publication or authorize any such notification, announcement or publication about an Incident (a "**Breach Notice**") - unless required by law or court order - without the prior written consent of and approval by Carrier of the content, media and timing of the Breach Notice. Where required to provide a Breach Notice by law or court order, Supplier shall make all reasonable efforts to coordinate with Carrier prior to providing any such Breach Notice.

4. Following termination of an Order (or if such Order is subject to a Supply Agreement only following termination of such Supply Agreement), Supplier shall, at the choice of Carrier, delete all Personal Information processed on behalf of Carrier and certify that it has done so, or, return all the Personal Information to Carrier and delete existing copies unless Data Privacy Laws requires storage of the Personal Information. Until the data is deleted or returned, the Supplier shall continue to ensure compliance with this Clause. Absent instructions and except as prohibited by law, the Supplier shall immediately destroy all Personal Information after termination or completion of an Order (or if such Order is subject to a Supply Agreement only following termination of such Supply Agreement), after waiting 30 days to allow Carrier to request the return of Personal Information.
5. Pursuant to Carrier's written instructions, Supplier shall provide Carrier with the ability to purge Carrier Personal Information older than one year, or such other time period agreed upon in writing by the Parties, unless otherwise required to retain the data by applicable law.
6. Parties agree that, to the extent any products or services are delivered by Supplier in the European Economic Area or the UK, the SCCs are incorporated by reference as if set forth herein. The SCCs will apply to Personal Information that is transferred from the European Economic Area or the UK, either directly or via onward transfer, to any country or recipient outside the European Economic Area or the UK that is (a) not recognized as providing an adequate level of protection for Personal Information, and (b) not covered by any other appropriate data transfer tool. If the Supplier will act as a controller, the Parties agree that Module One applies; if the Supplier will act as a processor, the Parties agree that Module Two applies. For Module Two, Option 2 for Clause 9(a) applies, and notice shall be provided no less than 30 days in advance. For both Modules, Option 2 for Clause 17 applies and the data exporter at issue shall be the relevant one. The law of Belgium shall be the governing law if the applicable EU Member State does not allow for third-party beneficiary rights. For clause 18 for both Modules, disputes shall be resolved in the courts of the EU Member State for the relevant data exporter. If there are multiple relevant data exporters, the Parties agree to jurisdiction and forum of the courts of Belgium. If there is any conflict between the SCCs and the Agreement, the SCCs shall prevail.
7. This Clause will survive the termination of the Agreement.





## **B. SECURITY FOR CARRIER INFORMATION**

1. Seller will use commercially reasonable efforts to establish, maintain and comply with administrative, technical and physical safeguards that are designed to (a) protect the security, availability and integrity of Seller's network, systems and operations, the Services and the Carrier Information; (b) guard against Security Issues; and (c) satisfy the requirements for certification under ISO 27001. Seller will develop, implement and maintain a written security program, reasonably acceptable to Buyer that includes appropriate administrative, technical, organizational and physical safeguards, security awareness and security measures designed to protect Carrier Information from unauthorized access and use.

2. Seller agrees to install and implement security hardware, software, procedures and policies that will provide effective information security and are acceptable to Buyer. Seller agrees to monitor and update such hardware, software, procedures and policies to utilize improved technology and to respond to developing security threats in order to maintain a level of security protection, preparedness and resilience appropriate for the information involved and the then current state of security solutions. Upon request, Seller shall provide Buyer with any reports or results of any internal audit related to IT security performed by or on behalf of Seller during the term of the Agreement and/or Order or any audit reports issued, including but not limited to, under the SSAE 16 report or ISAE 3402.

3. Seller further agrees to:

3.1 Only collect, access, use, or share Carrier Information, or transfer Carrier Information to authorized third parties, in performance of its obligations under the Agreement and/or Order, in conformance with the provisions set forth in this policy, or to comply with legal obligations. Seller will not make any secondary or other use (e.g., for the purpose of data mining) of Carrier Information except (a) as expressly authorized in writing by Buyer in connection with Buyer's purchase of Services hereunder, or (b) as required by law.

3.2 Maintain and implement information security policies which address, at a minimum the following domains:

- 3.2.1 information security policy
- 3.2.2. organization of information security
- 3.2.3 asset management
- 3.2.4 human resourced security
- 3.2.5 physical and environmental security
- 3.2.6 communications and operations management
- 3.2.7 access control
- 3.2.8 information systems acquisition, development and maintenance
- 3.2.9 information security incident management
- 3.2.10 business continuity management



### 3.2.11 regulatory compliance

- 3.3 Provide Buyer with an index or similar summary of its policies sufficient to evidence to Buyer's reasonable satisfaction that each domain is addressed in a manner consistent with this Section. Seller shall provide Buyer with an updated index or summary, upon Buyer's request, and indicate any plans, including a timetable for implementation, of planned upgrades to comply with the policy. Seller shall implement those reasonable requests for modification of such policy requested by Buyer.
  - 3.4 Allow Buyer or its designee to conduct a security audit at its facilities on one day's notice, and allow Buyer at any time to conduct (or have conducted) a network audit. If the Carrier Information is stored in a shared environment per the agreement of Buyer, then Buyer shall use a third party to conduct such audits. The audits shall include any facilities with Carrier Information including backup storage facilities.
  - 3.5 Segregate all Carrier Information into a separate database only accessible by Buyer, and its agents and those employees and agents of Seller that require access to perform the Services or to maintain the equipment and the program on which it runs, unless otherwise agreed by Buyer. Logical segregation of data, if approved by Buyer, may be an acceptable alternative to this requirement. Seller shall use reasonable efforts, as measured by the available technology at the time, to prevent anyone other than its authorized employees and Buyer and its agents from accessing the Carrier Information.
  - 3.6 Assure that all Carrier Information and applicable software is appropriately backed up and recoverable in the event of a disaster or emergency, and that Seller's disaster recovery plan (as may be otherwise required herein) shall incorporate such requirements.
  - 3.7 Provide Buyer, at the time of signing this Agreement and/or Order, with a termination plan that addresses how Carrier Information will be returned to Buyer at the end of this Agreement and/or Order, including backup and archival information, and how all Carrier Information will be permanently removed from Seller's equipment and facilities. This plan should include supplying the data to Buyer in an industry recognized nonproprietary database and, if not, a license to use the proprietary database software to access the data.
  - 3.8 Provide information to and fully cooperate with Buyer in response to any subpoena, investigation or the like seeking Carrier Information and provide information and assistance for Buyer to seek certification and the like relative to its information including information in the possession of Seller. Seller shall promptly notify Buyer upon the receipt of any request requiring that Carrier Information be supplied to a third party.
  - 3.9 When requested by Buyer, Seller agrees to comply, within a reasonable period of time, with Carrier Information security policies as provided to Seller by Buyer.
  - 3.10 Seller shall not provide Carrier Information to any other entity without the prior written approval of Buyer. A request for Buyer approval shall include agreement by Seller, and such other entity, that (i) all of the requirements of this provision are applicable to their performance and (ii) Buyer shall have the right to perform the audits described above.
4. Encryption Requirements. Seller will use, and will cause Seller Personnel to use, appropriate forms of encryption or other secure technologies at all times in connection with the Processing of Carrier Information, including in connection with any transfer, communication, remote access or storage (including back-up storage) of Carrier Information, as authorized or permitted under the Agreement and/or Order. Notwithstanding any provision to the contrary herein, Buyer Personal Information shall not be stored on any Seller mobile computing devices (e.g. laptop computers, PDAs (personal digital assistants), etc.)
  5. Notification. Seller will provide to Buyer immediate written notice of (i) any failure to meet the then



current standards for information security, and (ii) any and all reasonably suspected and/or confirmed Security Issues. Such notice will summarize in reasonable detail the impact on Buyer or any individuals affected by such Security Issue and the corrective action and remediation efforts taken or proposed to be taken by Seller. Immediately following any Security Issue or any other failure to meet information security standards, whether identified by Seller or Buyer, Seller will take steps to mitigate risks posed, consult in good faith with Buyer regarding remediation efforts, and undertake a remediation plan which Buyer determines in its sole but reasonable discretion, to be necessary, reasonable or appropriate under the circumstances commensurate with the nature of the Security Issue or failure, or as requested by any government body. Seller will be solely responsible for all costs and expenses, including, without limitation, the reasonable costs of re-testing performed to verify that any Security Issue has been remediated. Failure to remedy the risks of a Security Issue or failure within the time frame and manner specified by Buyer is deemed a material breach of this policy, the Terms and/or the Agreement.



## STANDARD TERMS & CONDITIONS OF PURCHASE

### ATTACHMENT B

#### ACCESS TO FACILITIES OR SYSTEMS

The following provisions of this policy are incorporated into Carrier's Standard Terms & Conditions of Purchase which may be found at <https://www.corporate.carrier.com/suppliers/terms-conditions/> (the "Terms") and any Agreement whenever the Seller or Seller's personnel have access to Carrier's facilities or systems. All capitalized terms used in this policy but not defined shall have the same meaning given to them in the Terms.

1. Seller shall perform identity screenings, work authorization verifications and background checks on any and all Seller Personnel seeking Access in order to identify persons or entities ineligible for such Access. In furtherance of this obligation, Seller shall, in advance of any request or grant of such Access:

1.2 Verify the identity and requisite work authorization of Seller Personnel requiring Access. Buyer or its Affiliates may further direct Seller to use a designated service provider to verify authorization to work, U.S. person and/or citizenship status, at Seller's sole cost and expense.

1.3 Except to the extent not permissible by applicable law, perform a background screen on Seller Personnel using a company approved by Buyer evidencing that (i) Seller Personnel do not have any criminal convictions, as reported in the result of a background screen, or (ii) if they do have criminal convictions, Seller Personnel were hired only after an individualized assessment was conducted in accordance with all applicable laws and taking into consideration the nature and severity of the underlying offenses, the nature and scope of the Access to be granted, the specific jobs at issue, and the length of time since the convictions.

1.4 Seller shall not seek Access for any Seller Personnel ineligible for such Access based on the failure to meet the above criteria, and will notify Buyer immediately, in writing, if any of Seller's Personnel with Access is no longer eligible.

2. Seller agrees that Buyer shall have sole discretion as to whether Seller is granted Access, and agrees that any Access privileges granted to Seller will be defined by Buyer. Buyer reserves the right to impose additional requirements before granting Seller Personnel Access, including, without limitation, with respect to export compliance, privacy, protection of Carrier Information, security clearance, applicable training, drug screening, credit check, technology control plans, intellectual property agreements and compliance with other site-specific policies and procedures.

3. Seller is responsible for ensuring that any Seller Personnel requiring Access meet such Access requirements and that Access privileges are limited to approved Seller Personnel. Seller shall immediately notify Buyer if, at any time during the performance of the Order, (i) any information related to Seller Personnel is altered or rendered inaccurate for any reason, or (ii) the need for Access ceases for any of such Seller Personnel having Access. The need to Access shall automatically cease for any Seller employees who are terminated, transferred, or otherwise no longer employed by Seller.

4. Seller or Seller Personnel's refusal or failure to meet Buyer's Access requirements at any time during the performance of the Order may result in Buyer's refusal to grant Seller Personnel Access, and Seller agrees that Buyer shall have the right to deny, and, without notice, terminate Access by Seller or any of Seller



Personnel in whole or in part. Inability of Seller to comply with the requirements of this provision shall not excuse Seller from performing the Agreement and/or Order and shall not constitute an "Excusable Delay" as set forth in the Section herein entitled "Force Majeure."

5. If Seller is an individual, Seller acknowledges that he/she is not an employee of Buyer or Buyer Affiliate and is not entitled to the rights and benefits of a Buyer or Buyer Affiliate employee including, but not limited to, participation in pension, savings, health care and other employee benefit plans and arrangements. If Seller is a company or other entity, it acknowledges that Seller Personnel are not Buyer or Buyer Affiliate employees and are not entitled to the rights and benefits of a Buyer or Buyer Affiliate employee including, but not limited to, participation in pension, savings, health care and other employee benefit plans and arrangements.

5.1 Seller acknowledges and agrees that any breach of this Section may result in a violation of law for which Buyer, Seller, and/or Seller Personnel may be liable. At Buyer's request, in advance of any request or grant of Access and at any other time, Seller will provide Buyer (i) written certification, in a form provided by Buyer, that the Access requirements have been met, and/or (ii) documentation to verify the methodology, process and results relied upon by Seller to comply with the Access requirements. The current certification form is available at <https://www.corporate.carrier.com/suppliers>.





## STANDARD TERMS & CONDITIONS OF PURCHASE

### ATTACHMENT C

#### APPLICABLE LAW / COMPLIANCE OBLIGATIONS

The following partial and nonexclusive summary of Applicable Law and related Seller compliance obligations is incorporated into Carrier's Standard Terms & Conditions of Purchase which may be found at <https://www.corporate.carrier.com/suppliers/terms-conditions/> (the "**Terms**") and any Agreement. Seller shall comply with all Applicable Law regardless of whether summarized in this Attachment C. All capitalized terms used in this policy but not defined shall have the same meaning given to them in the Terms.

##### 1. DISCRIMINATION

All laws pertaining to fair employment practices or which prohibit discrimination because of age, color, sex, physical or mental handicap, race, nationality, religion or creed, or other similar federal or state laws or regulations (in the United States of America, this includes but not limited to (i) E.O. 11246, Section 202, 11625, 11701, and 11758 pertaining to fair employment practices or which prohibit discrimination because of age, color, sex, physical or mental handicap, race, nationality, religion or creed, or other similar federal or state laws or regulations, (ii) 38 U.S.C. 4212, as amended, pertaining to veterans' employment emphasis under Federal contracts, and (iii) E.O. 13496 pertaining to notification of employee rights under federal labor laws).

##### 2. OTHER LABOR PRACTICES

All laws pertaining to labor and employment practices and child labor (in the United States of America, including, but not limited to, Sections 6, 7 and 12 of the Fair Labor Standards Act of 1938 ("**FLSA**"), as amended (29 U.S.C. §§ 201-219) and of regulations and orders of the United States Department of Labor issued under Section 14 thereof, Section 12(a) and Section 15(a) (1) of the FLSA and the Walsh-Healy Public Contracts Act (41 U.S.C. §§ 35-45) and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-332), and any amendments thereto), as well as with the provisions of any other laws with respect to labor relations, minimum wages and hours of employment, now in effect or hereafter. Seller shall not use, and shall not allow any of its subcontractors, sub-suppliers or vendors involved in the production of parts or components for goods subject to Orders and this Agreement to use, child or forced labor.

##### 3. DATA PRIVACY

(a) All laws pertaining to the processing, transferring and storage of personal data to be provided to Seller by Buyer, such as the name, address, telephone number, e-mail address, and/or any other information that may make any of Buyer's employees, directors, agents, contractors or other representatives identifiable ("**Buyer Personal Data**"), including the rules and regulations related to the European Union's General Data Protection Regulation, which became effective in May 2018 and as may be amended from time to time.

(b) If Seller does share, transfer, disclose or provide access to Buyer Personal Data to a third party, it shall: (i) be responsible for the acts and omissions of any subcontractor or other third party, that processes Buyer Personal Data on Seller's behalf in the same manner and to the same extent as it is responsible for its own acts and omissions with respect to such Buyer Personal Data; (ii) ensure such third party is bound by a written agreement that contains the same or equivalent obligations and protections as those set forth in this



section; and (iii) only share, transfer, disclose or provide access to a third party to the extent that such conduct is compliant with applicable law.

(c) Seller shall provide written notice to Buyer as soon as possible but in no instance more than forty-eight (48) hours after any suspected incident of accidental or unlawful destruction, loss, alteration, or disclosure of Buyer Personal Data or any proprietary information of Buyer of which it becomes aware (a “**Security Breach**”); thereafter Seller shall take all reasonable measures to contain and remedy the Security Breach, wherever possible; provide Buyer with information regarding the investigation and remediation of the Security Breach, unless restricted by law; not make any notification, announcement or publish or otherwise authorize any broadcast of any notice or information about a Security Breach (a “**Security Breach Notice**”) without the prior written approval by Buyer of the content, media and timing of the Security Breach Notice (if any), unless required to do so by law or court order; and even where required to do so by law or court order, make all reasonable efforts to coordinate with Buyer prior to providing any Security Breach Notice. In addition, Seller shall be responsible for providing any notice required by law to the data subjects whose personal data is impacted.

(d) For any Buyer Personal Data provided to Seller from any country in the European Economic Area or Switzerland, the parties agree that the terms of the Model Contract Clauses adopted by the European Commission in Decision 2010/87/EU control and are incorporated herein by reference.

#### 4. CONFLICT MINERALS

Seller recognizes, consistent with the public policy underlying enactment of the Conflict Minerals provision (Section 1502) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “**Act**”), which apply to Buyer, the significant legal and non-legal risks associated with sourcing tin, tantalum, tungsten and gold (the “**Conflict Minerals**”) from the Democratic Republic of the Congo and adjoining countries (“**DRC countries**”). Accordingly, Seller commits to comply with Section 1502 of the Act and its implementing regulations and provide Buyer with information it needs to comply with the applicable legislation; to the extent Seller is not a “**Registrant**” as defined in the Act, Seller shall comply with Section 1502 of the Act and its implementing regulations except for the filing requirements. In particular, Seller commits to have in place a supply chain policy and processes to undertake (i) a reasonable inquiry into the country of origin of Conflict Minerals incorporated into goods it provides Buyer; (ii) due diligence of its supply chain, following a nationally or internationally recognized due diligence framework, as necessary, to determine if Conflict Minerals sourced from the DRC countries directly or indirectly support unlawful conflict there, and (iii) risk assessment and mitigation actions necessary to implement the country of origin inquiry and due diligence procedures. Seller shall take all other measures as are necessary to comply with Section 1502 of the Act and its implementing regulations, including any amendments thereto.

#### 5. GLOBAL CHEMICAL COMPLIANCE

To the extent the goods contain, or the manufacturing processes for the goods use, chemical substances subject to Global Chemical Regulations or Materials of Concern (collectively referred to as “**MOC**”), Seller shall:

(a) Comply with all Applicable Laws in any jurisdiction in which the goods are manufactured, produced, sold, and/or delivered (the “**Global Chemical Regulations**”), including, but not limited to, any: (i) registration, notification, authorization, restriction, or ban obligations, and (ii) hazard classification, labeling, packaging, Safety Data Sheet (“**SDS**”), or safe use compliance and communication obligations. Global Chemical Regulations include, but are not limited to the regulations identified below:

Global RoHS (EU, India, China, Taiwan, Korea, Turkey, UAE, TR EAEU, Saudi Arabia, UK)



REACH (EU, Turkey, Korea, Eurasia, India, Brazil)

Singapore WSH Regs and HazCom Standards

Extended Producer Responsibility EU WEEE

Waste Framework Directive SCIP

EU CLP Poison Control Notifications

Stockholm Convention on Persistent Organic Pollutants (POP)

EU Biocidal Products Regulation

Globally Harmonized System of Classification and Labelling of Chemicals (GHS)

California Prop 65 Safe Drinking Water and Toxic Enforcement Act

Canadian Environmental Protection Act

United States Toxic Substances and Control Act

United States Federal Insecticide, Fungicide and Rodenticide Act (FIFRA)

(b) Cooperate with Buyer's efforts to comply with the Global Chemical Regulations and applicable customer requirements and to develop products and manufacturing processes that minimize risk to human health and the environment. Such cooperation includes, but is not limited to: (i) investigating and communicating to Buyer the nature and extent of any MOCs contained in the goods or in the processes used to manufacture, assemble, use, maintain, or repair any goods; (ii) providing all reasonably necessary documentation to verify the material composition, on a substance by substance basis, including quantity of each MOC contained in any goods; (iii) providing Buyer with safe use communications and safety data sheets; (iv) promptly responding to Buyer's requests for information, in the form requested by Buyer, regarding MOC used or intended to be used in connection with the goods and related regulatory controls such as use restrictions and permit and authorization requirements; (v) upon request, cooperating with efforts to obtain necessary regulatory approval(s), including but not limited to registrations and authorizations, for the continued sale to and use of goods by Buyer; and (vi) using the tools and forms provided by Buyer through the Seller Site or other means.

(c) For purposes of this section, "**Materials of Concern**" or "**MOC**" means substances that are (i) subject to applicable Global Chemical Regulations or are substances of concern to Buyer or Buyer's customer, or chemicals or materials (ii) identified by Buyer in a Materials of Concern list published on [www.corporate.carrier.com/suppliers](http://www.corporate.carrier.com/suppliers) (the "**Supplier Site**") or provided through other means.

## 6. ENVIRONMENTAL, HEALTH AND SAFETY REQUIREMENTS

To the extent that Seller will be (a) working on the premises of the Buyer sites, (b) working under the direct supervision of Buyer site employees, or (c) providing installation, maintenance or service work on behalf of a Buyer site and pursuant to the Buyer site's instructions, Seller shall be subject to the Buyer site's Contractor Environment, Health & Safety Program ("**EH&S Program**"). Seller agrees to comply with the requirements of the EH&S Program and with all Applicable Laws including, without limitation, the Occupational Safety and Health Act, 29 U.S.C. 651 et. seq., and any other Applicable Laws dealing with protection of the environment, health and safety. Prior to commencing work, Seller may be subject to an assessment by the site to (i) evaluate Seller's



EH&S qualifications and past performance with regard to safe and environmentally sound work practices, (ii) evaluate the EH&S risks associated with the work to be performed by Seller and (iii) establish EH&S requirements for Seller based on the degree of hazard and risk and/or type of work to be performed. The extent of this review shall be at the discretion of Buyer. If requested by the site, Seller shall provide information to aid the Buyer site in making the assessment. Where Seller falsifies information describing its qualifications or fails to follow the EH&S Program, Seller shall be in default and Buyer may terminate the Order and/or Agreement.

## 7. RESTRICTED PARTIES AND RESTRICTED SOURCING

(a) Seller represents that it is not a Restricted Party, defined as (i) a party listed on a list of parties with whom business is restricted or prohibited by the United States, the European Union or its Member States, the United Kingdom, or other applicable governments, including but not limited to the Office of Foreign Assets Control ("OFAC") Specially Designed Nationals List, the OFAC Consolidated List, U.S. Department of Commerce's Bureau of Industry and Security's Entity List, the National Defense Authorization Act of 2019 Section 889 "Covered Company", or other similar lists; (ii) the government, including the agencies and instrumentalities thereof, of Cuba, Iran, North Korea, Syria, or the Crimea, Donetsk, Kherson or Luhansk or Zaporizhzhia Regions of Ukraine ("**Restricted Territory**"), or Venezuela; (iii) an ordinary resident of, or entity incorporated under the laws of a Restricted Territory; or (iv) an entity owned 40 percent or more, in the aggregate, or controlled by, a party covered by (i)-(iii).

(b) Seller shall not procure services, goods, parts, or components for goods subject to orders and this Agreement, from Restricted Parties or Restricted Territories either directly or indirectly, nor from regions or entities restricted for import into the country of destination, such as parties and regions subject to Withhold Release Orders issued by U.S. Customs and Border Protection.

(c) Seller shall not procure goods, parts, or components for goods subject to orders and this Agreement, from regions or entities restricted for import into the country of destination, such as parties and regions subject to Withhold Release Orders issued by U.S. Customs and Border Protection.

(d) Seller shall provide to Buyer, upon Buyer's reasonable request, the identity of its suppliers and/or the location of manufacture of the goods or any subcomponents of the goods, as applicable, to confirm compliance with legal and regulatory requirements and the order. Seller shall require sub-suppliers to comply with such requests as well.

## 8. EXPORT COMPLIANCE

(a) Seller shall comply, and cause each of its subsidiaries, agents and contractors to comply, with respect to all activities and transactions contemplated under this order, with all applicable export control laws, regulations, and orders (including the U.S. Export Administration Regulations administered by the Bureau of Industry and Security, U.S. Department of Commerce ("**BIS**"), 15 C.F.R. parts 730-774) ("**Export Controls**") and economic sanctions laws and trade embargoes (including those administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"), U.S. Department of State and the European Commission ("**Sanctions**").

(b) Seller shall notify Buyer promptly and in writing if Seller, any of its subsidiaries, or any of their respective officers or directors, or Seller's vendors working on this order, in each case, becomes, or there is a reasonable basis that such party will become, a Restricted Party.

(c) Seller (i) represents and warrants to Buyer that such goods are not subject to the jurisdiction of the ITAR and do not appear on the United States Munitions List ("**USML**"), and (ii) shall provide Buyer with (a)



the applicable Harmonized Tariff Schedule Number and (b) the Export Control Classification Number (“**ECCN**”) of such goods, software, technology or services that are controlled by the EAR, and to include the ECCN of parts and components if such classification differs from the ECCN of the goods or software and (c) any analogous classification under any other Applicable Law.

(d) When Seller is engaged in a transaction with Buyer involving goods intended for export from the United States, the Seller is the U.S. Principal Party of Interest (USPPI) and is required to provide Buyer with certain data elements set forth in 15 CFR § 30.3

For Mexico Custom’s purposes an accounting invoice (the invoice used for payment) is required.

This invoice must contain the following data elements with no exception:

- I. Place and date of issue
- II. Document number
- III. Name and address of the USPPI
- IV. Name and address of the merchandise’s recipient.
- V. Name and address of the buyer when different from the recipient
- VI. Commercial description of commodities including part numbers when they exist
- VII. Quantities/unit of measure
- VIII. Value
- IX. Currency

Additional to this information, to ensure US Export compliance, Buyer requests that Seller provide Buyer with the required data elements to complete the Electronic Export Information (EEI) filing. Those additional requirements are the following and may be provided in a Shipper’s Letter of Instruction or included on the accounting or commercial invoice.

- I. Ship from address
- II. USPPI’s EIN (tax ID number) or DUNS
- III. Country of origin
- IV. Schedule B or HTSUS (Buyer utilizes HTSUS unless prohibited by Census)
- V. ECCN or sufficient technical information to determine the ECCN
- VI. Incoterms
- VII. Any information known by the Seller that may affect a licensing determination

## **9. IMPORT COMPLIANCE**

The following provisions apply to shipments where Seller is the importer of record:

(a) Customs/Country of Origin Requirements. Seller shall ensure that all goods have the appropriate country of origin markings for the jurisdiction the goods are shipped to.

(b) Free Trade Agreement Support. Seller agrees to timely respond to Buyer’s requests for (i) country of origin certificates or (ii) free trade agreement certificate.





(c) Duty Drawback. Upon request, Seller agrees to furnish completed drawback certificates and any documents necessary to allow the Buyer to complete a drawback claim to Buyer and to retain substantiating documentation pursuant to 19 U.S.C. Section 1313. Seller agrees to assign to Buyer any and all of Seller's U.S. Customs duty drawback rights related to the goods furnished hereunder in order for Buyer to seek duty drawback. Such duty drawback rights shall include rights developed by direct identification, substitution and duty drawback rights obtained from sub-tier suppliers related to the goods. Seller agrees to inform Buyer of the existence of such duty drawback rights of which Seller becomes aware. Seller agrees to furnish upon request documents that Buyer reasonably requires, including, but not limited to, proof of importation (e.g. U.S. Customs and Border Protection Entry Summary, invoices, packing lists, bill of lading, delivery records, etc.) and signed U.S. Customs and Border Protection Form 7552 (Certificates of Manufacture and Delivery or Certificates of Delivery), for Buyer to recover import duties related to the goods. Seller further agrees to provide such assistance to Buyer as requested in connection with the recovery of said import duties. Seller and Buyer agree that both parties will transmit all documents necessary to complete a drawback claim to a third-party service provider to complete the claim and file the same on behalf of the Buyer. The third-party service provider will be selected at the sole discretion of the Buyer. The parties agree to execute non-disclosure agreements naming the third party service provider as the entity who is authorized to receive all documents supporting the drawback claim.

## 10. ADDITIONAL IMPORT COMPLIANCE

The following provisions apply to shipments where Buyer is the importer of record:

(a) Duty Drawback. Upon request, Seller agrees to provide information reasonably requested by Buyer to complete its Drawback applications.

(b) Customs/Country of Origin Requirements. Seller shall ensure that all information provided on the Bill of Lading and or commercial invoice is accurate. Seller will ensure that country of origin marking and identification requirements are met. Seller shall provide applicable certificates of origin with each shipment, subject to the country where goods will be imported by the Buyer.

(c) Anti-Dumping/Countervailing Duties. Seller shall promptly, and no later than within seven (7) days of receipt, inform Buyer of any correspondence, questionnaires or orders received by them or their industry representatives from the US International Trade Commission or U.S. Department of Commerce regarding their manufacture, supply, trading or export of the subject goods. Seller shall provide Buyer any documentation necessary to establish, where applicable, that imported goods supplied by or through Seller are outside the scope of anti-dumping/countervailing/safeguard/additional duty, investigation and/or orders.

(d) Security Programs. Buyer participates in a variety of customs security programs such as CTPAT, PIP, AEO (all, including other local equivalents, "**Security Programs**"). Seller agrees to (i) provide any and all information required for Buyer's participation in the relevant Security Program; (ii) follow shipping requirements required by the Security Program as communicated by Buyer; and (iii) use reasonable efforts to implement security measures required by the Security Program and communicated by Buyer.

(e) Free Trade Agreement Support. Seller agrees to respond to Buyer's requests for (i) country of origin certificates or (ii) free trade agreement certificate within 10 business days of Buyer's request for any such information or documentation. Where Seller confirms to Buyer in advance of purchase that goods qualify for preferential duty treatment under any trade agreement, unilateral preference program, or other duty savings opportunity, such as "first sale" valuation, Seller shall provide such written confirmation in the form of an acceptable Free Trade Agreement Certificate to Buyer at the time the Buyer seeks to make entry in the applicable Customs Jurisdiction. Seller also agrees to cooperate with all requests for support from Buyer in reviews by relevant governments, including but not limited to U.S. Customs and Border Protection.



(f) ISF. For international ocean shipments to the United States, Seller shall cooperate with Buyer as necessary to facilitate required Importer Security Filing ("**ISF filing**"). Seller acknowledges that ISF filings must be made timely, and agrees to provide the necessary information to Buyer's designated agent no less than 72 hours before the goods are loaded onto the vessel at the port of departure. Seller shall provide all necessary information to Buyer's agent in the manner set forth from the Buyer. In the event the Buyer incurs any US CBP penalty for a late ISF filing due to the fault of the Seller, Seller shall reimburse Buyer for the penalty. The detailed ISF filing requirements are set forth at:

<https://www.cbp.gov/border-security/ports-entry/cargo-security/importer-security-filing-102>

(g) Invoice Sufficiency and Accuracy. Seller shall promptly cooperate with all requests for re-invoicing where the original invoice is determined to be inaccurate or incomplete against relevant legal requirements or compliance with this Agreement. All costs associated with re-invoicing and any required compliance remediation shall be born by Seller when related to quantity or price discrepancies caused by the Seller. Storage charges incurred at customs associated with invoice inaccuracy and or non-existence invoice shall be covered by the Seller.

## **11. U.S. GOVERNMENT CONTRACTING**

(a) Seller does not furnish to Buyer any covered telecommunications equipment or services within the meaning of 48 CFR 52.204-25, or furnish to Buyer any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system within the meaning of 48 CFR 52.204-25, as modified by the interim rule at 85 Fed. Reg. 42665, released July 14, 2020.

(b) Seller shall timely disclose to Buyer, in writing, whenever the Seller has credible evidence that a principal, employee, agent, or subcontractor of the Seller has committed a violation of the Civil False Claims Act or a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity in connection with the award, performance, or closeout of a government contract or any related subcontract. The individual making the report must be an officer or manager empowered to speak for the Seller.



## STANDARD TERMS & CONDITIONS OF PURCHASE

### ATTACHMENT D

#### Corporate Due Diligence Obligations

The following provisions regarding corporate due diligence obligations are incorporated into Carrier's Standard Terms & Conditions of Purchase which may be found at <https://www.corporate.carrier.com/suppliers/terms-conditions/> (the "**Terms**"). All capitalized terms used in this policy but not defined shall have the same meaning given to them in the Terms.

Carrier recognizes that different countries have established laws requiring certain due diligence, disclosure and other actions to ensure the protection of certain fundamental human rights and the environment including, without limitation, the German Act on Corporate Due Diligence Obligations in Supply Chains (*Lieferkettensorgfaltspflichtengesetz*). Those laws are referenced in this Attachment D along with those provisions each specific law requires be made part of the Seller's applicable contract with Carrier as a supplier to Carrier.

#### A. German Act on Corporate Due Diligence Obligations in Supply Chains (*Lieferkettensorgfaltspflichtengesetz*)

To the extent the Act on Corporate Due Diligence Obligations in Supply Chains applies to Carrier and/or Seller as its supplier, the following provisions are incorporated into Carrier's Standard Terms & Conditions of Purchase which may be found at <https://www.corporate.carrier.com/suppliers/terms-conditions/> (the "**Terms**"). All capitalized terms used in this policy but not defined shall have the same meaning given to them in the Terms. This Attachment does not affect Seller's obligations under the Terms, in particular under Section 17 (Code of Conduct) or Section 20 (Compliance), but stipulates additional obligations for Seller.

#### 1. HUMAN RIGHTS INSTRUMENTS

Seller commits itself to respect and observe and make best efforts to have its direct suppliers respect and observe the rights and fundamental principles articulated and protected by the following human rights instruments (the "**Human Rights Instruments**") as listed in the Annex to section 2 (1), section 7 (3) sentence 2 to the Act on Corporate Due Diligence Obligations in Supply Chains (available at [https://www.csr-in-deutschland.de/SharedDocs/Downloads/EN/act-corporate-due-diligence-obligations-supply-chains.pdf?\\_\\_blob=publicationFile#linkicon](https://www.csr-in-deutschland.de/SharedDocs/Downloads/EN/act-corporate-due-diligence-obligations-supply-chains.pdf?__blob=publicationFile#linkicon)) [

Convention No. 29 of the International Labour Organization of 28 June 1930 concerning Forced or Compulsory Labour (ILO Convention No. 29; available at: [Convention C029 - Forced Labour Convention, 1930 \(No. 29\) \(ilo.org\)](#));

Protocol of 11 June 2014 to Convention No. 29 of the International Labour Organization of 29 June 1930 of the International Labour Organization (available at: [Protocol P029 - Protocol of 2014 to the Forced Labour Convention, 1930 \(ilo.org\)](#));

Convention No. 87 of the International Labour Organization of 9 July 1948 concerning Freedom of Association and Protection of the Right to Organise, as amended by the Convention of 26 June 1961 (ILO Convention No. 87; available at: [Convention C087 - Freedom of Association and Protection of the](#)

[Right to Organise Convention, 1948 \(No. 87\) \(ilo.org\)](#));

Convention No. 98 of the International Labour Organization of 1 July 1949 concerning the Application of the Principles of the Right to Organise and to Bargain Collectively, as amended by the Convention of 26 June 1961 (ILO Convention No. 98; available at: [Convention C098 - Right to Organise and Collective Bargaining Convention, 1949 \(No. 98\) \(ilo.org\)](#));

Convention No. 100 of the International Labour Organization of 29 June 1951 concerning Equal Remuneration for Men and Women Workers for Work of Equal Value (ILO Convention No. 100; available at: [Convention C100 - Equal Remuneration Convention, 1951 \(No. 100\) \(ilo.org\)](#));

Convention No. 105 of the International Labour Organization of 25 June 1957 concerning the Abolition of Forced Labour (ILO Convention No. 105; available at: [Convention C105 - Abolition of Forced Labour Convention, 1957 \(No. 105\) \(ilo.org\)](#));

Convention No. 111 of the International Labour Organization of 25 June 1958 concerning Discrimination in Respect of Employment and Occupation (ILO Convention No. 111; available at: [Convention C111 - Discrimination \(Employment and Occupation\) Convention, 1958 \(No. 111\) \(ilo.org\)](#));

Convention No. 138 of the International Labour Organization of 26 June 1973 concerning the Minimum Age for Admission to Employment (ILO Convention No. 138; available at: [Convention C138 - Minimum Age Convention, 1973 \(No. 138\) \(ilo.org\)](#));

Convention No. 182 of the International Labour Organization of 17 June 1999 concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (ILO Convention No. 182; available at: [Convention C182 - Worst Forms of Child Labour Convention, 1999 \(No. 182\) \(ilo.org\)](#)).

International Covenant of 19 December 1966 on Civil and Political Rights (available at: [volume-999-i-14668-english.pdf \(un.org\)](#));

International Covenant of 19 December 1966 on Economic Social and Cultural Rights (available at: [ch\\_iv\\_03.pdf \(un.org\)](#));

Minamata Convention on Mercury of 13 October 2013 (available at: [Minamata Convention on Mercury \(Text and Annexes\) | Minamata Convention on Mercury](#));

Stockholm Convention on Persistent Organic Pollutants of 22 May 2001 (available at: [Text of the Convention \(pops.int\)](#));

Basel Convention on the Control of Transboundary of Transboundary Movements of Hazardous Wastes and Their Disposal (available at: [Basel Convention > The Convention > Overview > Text of the Convention](#)).

## 2. INFORMATION REQUESTS

Seller shall promptly provide any reasonable information requested by Buyer or its duly authorized representative from time to time in connection with Buyer's compliance in relation to the Human Rights Instruments.

## 3. HUMAN RIGHTS DUE DILIGENCE OBLIGATIONS



(a) Seller shall establish and maintain a human rights due diligence process appropriate to its size and circumstances to identify, prevent, and end or at least mitigate any violation of the rights and principles articulated and protected by the Human Rights Instruments within its supply chain.

(b) Seller shall use best efforts that its suppliers and subcontractors provide the Seller with timely and accurate information on all matters relevant to the human rights due diligence process (if existent).

(c) Seller shall develop and implement an action plan to prevent, end or minimize any violation of a human-rights related or environment-related obligation (as defined under the German Supply Chain Act in section 2 (4) in connection with section 2 (2) no. 1 to 12 and section 2 (3) No. 1 to 8) that has occurred or is imminent at the Seller or the Seller's suppliers, and make best efforts that its suppliers implement the action plan. Buyer will assist in developing and implementing the action plan, where necessary and appropriate.

(d) Seller shall develop and implement adequate compliance training measures in which the Seller's managers and responsible employees will be provided with an adequate level of knowledge and understanding of the rights and principles articulated by the Human Rights Instruments and this Attachment. Seller must ensure that its responsible personnel participate in any training offered by Buyer. The foregoing does not constitute an obligation for Buyer to offer training.

(e) Seller shall make best efforts to negotiate and include contractual requirements corresponding to those prescribed in this Attachment vis-à-vis its direct suppliers and to oblige them to pass on to their direct suppliers the obligation to comply with the rights and fundamental principles set forth in the Human Rights Instruments.

#### **4. COMPLIANCE**

(a) Upon reasonable notice, Buyer or its duly authorized representative shall have the right to audit Seller's compliance with its obligations under this Attachment at Seller's facility (including the review of associated books, records and other documentation). Seller shall timely reply to requests during such audit and shall provide reasonable support to Buyer and its duly authorized representative to complete the audit within Buyer's established timeline. Where Buyer discovers material noncompliance with the terms of this Attachment, or where Seller delays increase the cost of the audit, Seller shall reimburse Buyer for costs of the audit.

(b) Seller shall make best efforts that its suppliers also permit such audits by Buyer.

(c) Any audit shall be conducted in compliance with applicable laws (including, but not limited to, data privacy and antitrust laws) and taking into account the auditee's reasonable interests (e.g. trade secrets).

(d) Seller must take appropriate action to end or minimize any non-conformances identified during assessments and make best efforts that its direct suppliers end or minimize any non-conformances identified taking into account the obligations set forth under Section 3 of this Attachment.

#### **5. MISCELLANEOUS**

Seller shall review and take into account any amendment to this Attachment that Buyer must request due to the results of the risk analysis required by the German Supply Chain Due Diligence Act.





## STANDARD TERMS & CONDITIONS OF PURCHASE

### ATTACHMENT E

#### ARTIFICIAL INTELLIGENCE

The following clauses of this policy are incorporated into Carrier's Standard Terms & Conditions of Purchase which may be found at <https://www.corporate.carrier.com/suppliers/terms-conditions/> (the "Terms") and into any Agreement whenever the Seller delivers goods or services that contain, incorporate or utilize Artificial Intelligence. All capitalized terms used in this policy but not defined shall have the same meaning given to them in the Terms.

##### **1. Definition and Scope**

"Artificial Intelligence" or "AI" shall mean any software, system, algorithm, model, or technology that simulates or exhibits intelligence, learning capabilities, predictive analysis, autonomous decision-making, or content generation, including but not limited to machine learning, deep learning, neural networks, large language models, computer vision systems, and generative AI technologies. This Attachment applies to any goods or services that incorporate, utilize, or are developed using AI.

##### **2. Disclosure and Documentation**

Seller shall disclose to Buyer in writing prior to delivery: (a) the presence of any AI components in goods or services; (b) the functionality, capabilities, and limitations of such AI components; (c) data types processed by AI systems; (d) whether goods or services utilize third-party AI technologies; and (e) a description of the AI governance framework implemented by Seller to ensure the AI systems' safety, security, and compliance with applicable laws and regulations. Such documentation shall be maintained and updated throughout the lifecycle of the AI component.

##### **3. Compliance with AI Regulations**

Seller warrants that all AI components or systems incorporated into goods or services comply with all applicable laws, regulations, industry standards and frameworks governing the development, deployment, and use of AI technologies, including but not limited to data protection, privacy, non-discrimination, transparency, explainability, and sector-specific AI regulations. Seller shall monitor regulatory developments and ensure ongoing compliance with new or amended AI regulations.

##### **4. Risk Management**

Seller shall implement and maintain a comprehensive AI risk management system that: (a) identifies potential risks associated with the development, deployment, and use of AI components; (b) implements appropriate risk mitigation measures; (c) includes regular testing and validation of AI systems; and (d) provides for prompt notification to Buyer of any identified risks, incidents, or vulnerabilities that may affect the goods or services provided.

##### **5. Transparency and Explainability**

Seller warrants that all AI systems are designed with appropriate levels of transparency and explainability suitable to their use case and risk profile. For any AI system that makes or supports decisions affecting



individuals, Seller shall ensure that: (a) the system's operation can be explained in understandable terms; (b) decisions can be appropriately reviewed; and (c) human oversight is maintained where necessary.

## **6. Data Usage for AI**

In addition to complying with Section 8.5 of the Terms and Attachment A regarding data privacy, Seller warrants that all data used for training, testing, or operating AI systems have been lawfully obtained and processed. Seller shall maintain records of data sources, processing activities, and data governance measures, and shall make such records available to Buyer upon request. Seller shall not use Buyer's data, Proprietary Information, or Intellectual Property to train AI systems beyond the scope necessary to fulfill its obligations under the Agreement without Buyer's prior written consent. Seller warrants that all AI-related data usage complies with Singapore's Personal Data Protection Act 2012. Seller shall obtain explicit consent where required and ensure data subject rights are protected.

## **7. AI Intellectual Property**

In addition to Section 19 of the Terms, Seller warrants that it has secured all necessary rights and permissions for any AI-generated content, code, or other outputs incorporated into the goods or services. The ownership of AI-generated outputs developed specifically for Buyer shall be considered "Buyer Project Property" as defined in Section 19. Seller shall implement appropriate measures to track and document the provenance of AI-generated content.

## **8. Human Oversight and Accountability**

Seller shall maintain appropriate human oversight over AI systems, particularly for high-risk applications. Seller shall clearly define roles and responsibilities for human review, intervention, and accountability in connection with AI systems. Seller shall not deploy fully autonomous AI systems that make critical decisions without meaningful human oversight without Buyer's prior written approval.

## **9. AI Auditing and Assessment**

Seller shall permit Buyer to audit and assess any AI components upon reasonable prior notice, including through technical documentation review, testing, or third-party verification. Such audits may include bias assessments, security testing, performance validation, compliance verification, or other evaluations deemed necessary by Buyer.

## **10. AI Security**

Seller shall implement appropriate technical and organizational security measures for AI systems in accordance with industry best practices, including protection against unauthorized access, adversarial attacks, data poisoning, and model theft or manipulation. Seller shall promptly address any identified security vulnerabilities in AI components.

## **11. AI Indemnification**

Seller's indemnification obligations under Section 10 of the Terms shall extend to any claims, allegations, or damages arising from AI components, including but not limited to: (a) AI system malfunctions or errors; (b) biased or discriminatory outputs; (c) IP infringement claims related to AI-generated content; (d) unauthorized data usage; (e) non-compliance with AI regulations; and (f) failure to implement appropriate safeguards.

