

GENERAL TERMS AND CONDITIONS

1. AGREEMENT

This purchase order ("PO") may be used by Long Island Electric Utility Servco LLC ("Servco"), as agent of and acting on behalf of the Long Island Lighting Company d/b/a LIPA ("LIPA" or "Company") as an offer or acceptance for goods and/or services as described herein (the "Work"). If this PO is used as an offer, it is expressly limited to the terms herein and constitutes notice of objection to any additional or different terms. If this PO is used as an acceptance, the PO is expressly conditioned on Supplier's assent to any additional or different terms contained in the PO. This PO consists of, and is expressly limited to and made conditional upon, Supplier's acceptance of the terms, conditions, specifications, or documents referenced on the face and back hereof. This PO constitutes the entire agreement of the parties and may not be modified, altered, or amended, nor may any changes, deviations or substitutions in the design, process, configuration or material of the work be made in any way, except as approved in writing signed by a duly authorized Company representative. Supplier shall promptly notify Company prior to proceeding with Work if it is unable to comply with among these the PO exactly as written. In the event of any conflict General Terms and Conditions, technical specifications, and special or supplemental terms and conditions referenced in this PO, the following shall govern this order: (a) special/supplemental terms and conditions, (b) these General Terms and Conditions and (c) the technical specifications. In the event of any conflict between this PO and any proposal of Supplier, this PO shall govern. By performing any Work called for by this PO, Supplier agrees to these General Terms and Conditions.

If Work includes providing Company with products, materials or services associated with NERC CIP High and Medium Impact Bulk Electric System ("BES") Cyber Systems that are subject to the NERC CIP- 013-1 requirements, the Addendum for Products and Services Associated with NERC CIP High and Medium Impact Bulk Electric System ("BES") Cyber Systems, CIP-013-1 Reliability Standard Requirements ("NERC CIP-013-1 Addendum"), attached hereto, shall apply and take precedence over any directly conflicting or inconsistent terms in this PO.

In accordance with Section 2878 of the Public Authorities Law, if this PO was awarded based upon the submission of bids, Supplier warrants, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition.

2. DISCLOSURE OF AGENCY RELATIONSHIP; PRINCIPAL'S OBLIGATIONS

Pursuant to the Operations Services Agreement as may be modified by the Amended and Restated Operations Services Agreement, as it may be restated, amended, modified, or supplemented from time to time ("A&R OSA"), between LIPA and PSEG Long Island LLC ("PSEG LI"), PSEG LI through its operating subsidiary, Servco, has assumed managerial responsibility for the day-to-day the operational maintenance of, and capital investment to, the electric transmission and distribution system owned by LIPA ("T&D System") as of January 1, 2014. For purposes of this PO, PSEG LI and Servco collectively are referred to herein as "Agent". Among the services to be provided under the A&R OSA, Agent will procure goods and services as agent of and acting on behalf of LIPA. Accordingly, Agent will administer this PO and shall be LIPA's representative in all matters related to this PO, including all attached Exhibits as applicable. LIPA, as the principal, shall have ultimate, final and full liability for the obligations imposed hereunder on LIPA and Agent including responsibility for all sums due and owing Supplier.

3. SALES TAX

Pursuant to an applicable exemption certificate provided by Company, no sales or use taxes shall be billed to Company on Company's purchases from Supplier.

4. EQUAL EMPLOYMENT OPPORTUNITY/ AFFIRMATIVE ACTION

a) Supplier is in compliance with all of the laws and Executive Orders prohibiting discrimination, including, but not limited to, Title VII of the Civil Rights Act of 1964 as amended, the Age Discrimination in Employment Act, the Americans with Disabilities Act, and their state law counterparts. Supplier and its subcontractors shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a) (or for construction contractors, 41 CFR §60-4.3(a)). Accordingly, Supplier agrees not to discriminate against qualified individuals based on their status as protected veterans or individuals with disabilities, and not to discriminate against individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, Supplier and its subcontractors shall take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. Supplier also agrees to comply with the provisions of 29 C.F.R. Part 471, Appendix A to Subpart A, as applicable. Supplier shall be familiar with Section 211, "Employee protection," of the Energy Reorganization Act of 1974, 42 U.S.C. 5851, as amended, Title 10 of the CFR, Section 50.7, "Protection of Employees Who Provide Information, and 29 CFR part 24, hereinafter, "Whistleblower Provisions." Supplier shall implement a program and develop procedures to advise all employees that they are entitled and encouraged to raise safety concerns to Supplier's management, to Company, and to any applicable regulatory agency without fear of discharge or other discrimination. In the event that any allegation of discriminatory acts prohibited by the Whistleblower Provisions is made to Supplier by its personnel, or that there is any indication that a Supplier employee intends to contact or has contacted the Department of Labor or regulatory agency pursuant to the Whistleblower Provisions, Supplier shall notify Company within two days thereof. (b) In accordance with Section 312 of the New York Executive Law: (i) Supplier shall not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation, genetic predisposition or carrier status and shall undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment, employment, job assignment, promotion, upgrading's, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation; (ii) at the request of LIPA, Supplier shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation, genetic predisposition or carrier status and that such union or representative will affirmatively cooperate in the implementation of Supplier's obligations herein; and (iii) Supplier shall state, in all solicitation or advertisements for employees, that, in the performance of this PO, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability, marital status, sexual orientation, genetic predisposition or carrier status. Supplier shall include the provisions of (i), (ii) and (iii) above, in every subcontract over twenty-five thousand dollars (\$25,000.00) for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements, thereon (the "Work") except where such Work is for the beneficial use of Supplier. Upon request, Supplier shall submit within ten (10) days of such request an equal employment opportunity program statement and compliance report.

5. PROPRIETARY INTERESTS

All Work shall constitute works made for hire, and the ownership of such Work, including all copyrights, patents or other intellectual property rights shall be vested in Company. All Work provided hereunder shall not violate or infringe on any patent, copyright, trademark, or proprietary interest. If the use of any

Work, or any part thereof, shall be held to constitute an infringement and its use be enjoined in any suit or proceeding, Supplier shall, at its sole expense, either procure for Company and Agent the right to continue using the Work, replace it with non-infringing items, or so modify it that it becomes non-infringing. All substituted items shall be equal to or better than the items replaced in quality and performance.

6. COMPLIANCE WITH LAWS/CORPORATE SAFETY RULES, STANDARDS, and BACKGROUND CHECKS(a)

Supplier shall comply with, and shall cause all subcontractors and others for whom Supplier is responsible, to comply with the terms, conditions, requirements, methods, techniques, and Contract Standards (as such term is defined in the A&R OSA, which can be found on LIPA' s website at <http://www.lipower.org/papers/agreements.html>). Supplier shall comply with Company's safety rules and respond to all safety related data requests. **Hazard Communication Program:** Company may store and/or use materials that are defined as "hazardous chemicals" under the OSHA Hazard Communication Standard (29 CFR 1910.1200) at the location where Supplier is performing the Work and will make available to Supplier its "Hazard Communication Program", pursuant to 29 CFR 1910.1200(e) upon request. Prior to initiating any Work, Supplier should contact the designated Safety Coordinator for the specific work location. Prior to any Work, Supplier shall implement a "Hazard Communication Program" required by 29 CFR 1910.1200(e) for all "hazardous chemicals" that may be brought onsite by Supplier during performance of the Work and notify Company of those chemicals. Supplier shall notify Company immediately of any hazardous substances, including petroleum products, discharged at the Company's site, but this notice shall not relieve Supplier of its other obligations under applicable laws. (b) **Standards of Conduct:** When performing the Work, Supplier and its employees shall adhere at all times to the provisions contained in PSEG's Standards of Conduct, which can be found on its website, [Suppliers - PSEG Long Island \(psegliny.com\)](http://www.pseg.com) and may be amended without prior notice.

(c) **Background Checks:** Prior to the start of any Work, Supplier shall complete background checks as may be specified by Company on any employee, agent or subcontractor of Supplier who may have access to Company's or its customer's: (i) property/facilities; (ii) electronic systems or computer networks; (iii) information resource; or (iv) personally identifiable or similarly sensitive data without Company escort or uninterrupted oversight ("Unescorted Access"). Background checks will be deemed valid for seven (7) years.

7. INSPECTION

All Work supplied under this PO will be subject to Company's inspection. If any Work does not conform to this PO, it may be rejected. Nonconforming goods may, at Supplier's sole risk and expense, at Company's option, be returned to Supplier or held by Company for a reasonable time. The provisions of this paragraph shall not affect Supplier's obligations hereunder.

8. TITLE/OWNERSHIP

Unless otherwise agreed to by Company, all purchases are made on an FOB Destination or Delivered, Duty Paid (DDP) basis. Title of goods shall pass upon the earlier of payment or delivery.

9. WARRANTY

Whether or not Supplier is a merchant of the Work provided by it, Supplier warrants that: (a) the Work furnished hereunder will (1) fully conform to this PO and the specifications, drawings, samples supplied by Company, (2) be free from any defects in design, workmanship, performance, material, and title and fit for the purpose intended, (3) be merchantable, (4) meet or exceed the safety standards established under the Occupational Safety and Health Act (Public Law 91-596) and the regulations implementing it; (4) comply with applicable laws; (5) not violate any intellectual property rights; and (b) for safety-related

work, the Work will be of the best quality consistent with Supplier's quality control program. Supplier acknowledges that it is aware of the purpose intended for the Work to be provided under this PO. If within two years from the date of placing any goods into the service for which they were purchased, or acceptance of any services, whichever is later, the goods or services do not conform to the above warranties and Company so notifies Supplier, Supplier shall promptly correct such nonconformity at Supplier's sole expense, including costs of transportation to any other location designated by Supplier and approved by Company as necessary for repair or replacement, and return transportation costs to the original location. The correction of such nonconformity shall in turn be warranted for two full years from the date of correction. Further, the warranty on conforming Work affected by the repairs or replacement shall be similarly extended. The conditions of any subsequent acceptance tests shall be set by Company. Supplier shall be notified of, and may be represented at all tests that may be made. Supplier's liability hereunder shall extend to all damages caused by the breach of said warranties.

10. INDEMNIFICATION; DEFENSE

To the fullest extent permitted by law, Supplier shall defend, indemnify, and hold harmless Company, Agent, their affiliates, and each of their respective officers, directors, managers, agents, employees, successors and assigns (each, a "Company Indemnified Party" and collectively, "Company Indemnified Parties") against any claims, liens, lien claims, suits, proceedings, judgments, losses, damages, injuries, penalties, costs, fines, or expenses, including attorneys' fees (collectively, "Losses"), arising out of, resulting from, connected with, or related to: (i) any inaccuracy of any representation or warranty when made by Supplier herein; (ii) Supplier's breach of warranty or contract (including the terms of this PO); (iii) Supplier's failure to pay any amounts that have become due and owing from Supplier to any subcontractor or other entity; (iv) any and all claims that any item provided or used by Supplier or Supplier's subcontractors or suppliers infringes upon, misappropriates or violates a patent, copyright, or other intellectual property right or proprietary interest; (v) death, disease or bodily injury to persons; (vi) damage to, or destruction of, tangible property, including the loss of use resulting therefrom; (vii) the use, possession, or provision of any Work under this PO; and (viii) any violation or alleged violation of a law by Supplier or by any officer, agent, employee, contractor, supplier or subcontractor of Supplier.

11. LIMITATION OF LIABILITY

THE COMPANY'S AND AGENT'S TOTAL LIABILITY TO THE SUPPLIER FOR ALL CLAIMS OR SUITS OF ANY KIND (WHETHER BASED UPON CONTRACT, TORT, INCLUDING NEGLIGENCE, WARRANTY, STRICT LIABILITY OR OTHERWISE) FOR ANY LOSSES, DAMAGES, COST OR EXPENSES OF ANY KIND ARISING OUT OF, RESULTING FROM OR RELATED TO THE PERFORMANCE OR BREACH OF THIS PO SHALL NOT EXCEED THE PRICE OF THE PO. THE COMPANY AND AGENT SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL LOSSES, DAMAGES, COSTS OR EXPENSES.

12. INSURANCE

Prior to the start of Work, Supplier shall at its own expense, procure and maintain in effect until final completion and acceptance of the Work, the following minimum insurance with insurance companies having ratings of A-/VII or better in the Best Key Rating Insurance Guide: (a) Workers' Compensation insurance as required by the state in which the Work is to be performed and Employer's Liability insurance with limits of \$1,000,000 per occurrence; (b) Commercial General Liability insurance (occurrence form only) providing coverage for premises, bodily injury, property damage, explosion, collapse, and underground hazards (if applicable), personal injury, blanket contractual liability, (covering Suppliers obligations under this PO), products and completed operations for not less than 3 years from the date Company accepts the Work, coverage for independent contractors and broad form property damage coverage with limits of \$1,000,000 for each occurrence with an annual aggregate of \$2,000,000;

(c) Commercial Automobile Liability insurance providing coverage for all owned, non-owned, and hired automobiles used by the Supplier in the performance of the Work with a combined single limit of \$1,000,000 for each occurrence of bodily injury and property damage; (d) Excess or Umbrella Liability insurance with a limit of \$3,000,000 for each occurrence with an annual aggregate of \$3,000,000. This limit applies in excess of each of the coverage set forth in (a), (b) and (c) above. All above-stated insurance policies, with the exception of Workers' Compensation, shall name the Company, its successors and assigns, as additional insured; be primary to any other insurance or self-insurance maintained by the Company; and provide for a waiver of all rights of subrogation against the Company by Supplier and its insurers. The Commercial General Liability insurance shall contain a standard cross liability provision. Prior to the start of any Work, Supplier shall deliver to the Company's Procurement representative evidence of the required insurance coverage in the form of Certificates of Insurance (Accord Form) indicating that coverage afforded under the policies will not be canceled, allowed to expire, or limits reduced in any manner, until at least 30 days prior written notice has been given to Company. The Insurance provided above shall not relieve or release Supplier, its agents, subcontractors and invitees from, or limit liability for, any obligations under this PO. The insurance should provide that Company and Agent are additional insureds for the purposes of this PO. The following language should be used when referencing the additional insured status: Long Island Lighting Company d/b/a LIPA and Long Island Electric Utility Servco LLC, as well as their subsidiaries and affiliates, and their respective successors and assigns shall be named as additional insured.

13. FORCE MAJEURE

Time is of the essence for the Supplier's performance of the Work. However, the parties shall not be liable for delays in receipt or delivery due to causes beyond their reasonable control, such as acts of God, acts of civil or military authorities, governmental priorities, fires, floods, epidemics, war, or riot. In the event of any such delay, the new date of delivery of the Work may be mutually agreed upon, but it shall only be extended by a period of time directly related to that specific cause. Company shall not be liable for any increased costs, including price escalation, beyond the original delivery date, due to causes beyond either party's reasonable control.

14. TERMINATION

Without prejudice to any of its rights or remedies, Company may terminate all or any part of this PO without any liability or obligation whatsoever in the event that Supplier defaults, fails to provide goods or services on time, provides nonconforming or defective goods or services, fails to provide Company, upon request, with adequate assurance of future performance, or otherwise breaches any of the provisions of this PO. Company may also terminate all or any part of this PO for its convenience upon written notice to Supplier, in which case Supplier shall be paid the percentage of the PO price reflecting the percentage of Work provided to Company prior to notice of termination, plus its necessary, reasonable and verifiable expenses which may be incurred as a direct result of the termination, less the disposal or retention value of termination inventory. In the event of such termination, Supplier shall immediately stop all Work hereunder and immediately cause any of its suppliers and subcontractors to cease Work. Company shall not be liable or obligated in any way for Work provided after receipt of notice of termination or for any costs incurred by Supplier's suppliers or subcontractors that could have been avoided. The foregoing shall constitute Company's entire liability or obligation and Supplier's exclusive remedy for such termination. Any request for payments arising out of the termination under this paragraph must be made in writing within 30 days after the date of the termination notice, and Supplier shall include with detailed documentation supporting the request for payment.

15. RIGHT TO RECORDS

Company shall at times have access to the Work and to all books, vouchers, memoranda, and other records relative to the Work that are in Supplier's possession or control. Supplier shall preserve these records for 2 years after the final payment, during which Company will complete any audit that may be desired. If discrepancies or questions arise, the records shall be preserved until an agreement is reached. Company reserves the right to recover from Supplier any over-billing plus interest at the fed rate, costs of audit and professional fees expended to recover such over-billing. In addition, if any of the services hereunder are performed on a time/material basis, such as, but not limited to, technical direction of installation, Supplier shall keep detailed accounts of all costs necessary for proper financial management with a system of accounts satisfactory to Company. Supplier shall keep daily time sheets for each employee, including name, social security number, classification, number of hours worked, and description of work done. Company shall have the right, but not the obligation, to approve these sheets daily.

16. ADVERTISING/EXPEDITING

Supplier or its agents shall not use Company's name, photographs, logo, trademark, or other identifying characteristics or that of any of its subsidiaries or affiliates without Company's prior written approval. The Work furnished under this PO shall be subject to expediting by Company, or its agents' personnel shall be allowed reasonable access to Supplier's plants and those of its suppliers for expediting purposes. Supplier shall supply schedules and progress reports as required by Company.

17. PRICES/DISCOUNTS

The prices for the Work provided hereunder are not less favorable than those currently extended to any other customer for the same or similar goods in the same or similar manner and/or quantities. All discounts applicable to this PO will be computed from the date the Work is received, or from the date that a correct invoice is received, whichever is later.

18. ASSIGNMENT

Supplier shall not assign this PO in whole or in part to any other entity.

19. WAIVERS/WITHHOLDING OF PAYMENTS

Company's failure to insist upon strict performance of any provision of this PO by Supplier, or to take advantage of any of its rights hereunder, shall not be construed as a waiver by Company of any such provision or the relinquishment of any of its rights and remedies. All claims for money due or that become due from Company shall be subject to set-off by Company by reason of any claim arising out of this PO or any other transaction with Supplier. Supplier shall immediately cause any liens or lien claims filed against Company's property by any of its subcontractors or suppliers of any tier to be discharged. Company shall have the right to withhold and deduct the amount of any such lien or lien claim from the amount due Supplier and, at Company's option, pay the lien claimant directly. Company will not be obligated to pay on an invoice received more than 45 days after completion of the work.

20. DISPUTES

Notwithstanding the existence of a dispute between the parties, the Supplier shall proceed with the Work as directed by Company.

21. CONFIDENTIAL INFORMATION/IDENTITY THEFT NOTIFICATION

Any information or data, whether in oral, written, or physical form concerning the Company or Agent, all employees, customers or any product of the Company's or Agent's expenditure of time, effort, money, or creativity, which are: a) obtained from or provided by Company or Agent to Supplier; b) developed,

compiled or prepared by Supplier for Company; or, c) identified by the Company or agent as confidential or proprietary shall be treated and maintained by Supplier as the Company's confidential and proprietary information and shall not in any manner be used or disclosed, in whole or in part, without the Company's or Agent's prior written permission. If Supplier becomes aware of a disclosure of Company or Agent employee or customer personally identifiable information, Supplier shall immediately notify Company or Agent and take steps to mitigate such disclosure in accordance with applicable law or company policies.

22. STANDARD CONTRACT CLAUSES FOR LIPA CONTRACTS

The provisions of this Article, as more specifically set forth in an attached Exhibit entitled "STANDARD CONTRACT CLAUSES FOR LIPA CONTRACTS - LIPA FLOW DOWN PROVISIONS FOR CONTRACTS ENTERED INTO BY PSEG LONG ISLAND LLC AND LONG ISLAND ELECTRIC UTILITY SERVCO LLC, as agent of and acting on behalf of the LONG ISLAND LIGHTING COMPANY d/b/a LIPA," , relate to requirements imposed upon and/or applicable to Agent (as LIPA's agent) pursuant to LIPA and/or New York State law and policies. These provisions are hereby deemed incorporated in this PO. To the extent of any conflict between any other provision of this PO, the PO, and the Exhibit , the terms in the Exhibit shall control. Supplier shall comply with such terms and conditions during the term as it relates to work provided to Company. The Exhibit can be found at the following website: <https://www.psegliny.com/aboutpseglongisland> If Supplier is unable to access the website, Supplier shall notify Company to obtain a copy.

23. GOVERNING LAW

This PO shall be governed by, and construed in accordance with, the laws of the State of New York. Any claims or suits shall be filed and litigated in New York. THE PARTIES EXPRESSLY WAIVE THEIR RIGHT TO A TRIAL BY JURY.

24. SURVIVAL

All provisions for limitation or protection against loss or liability of the Company, including all warranties, protections and indemnities shall survive termination, suspension or cancellation of this PO.