TABLE OF CONTENTS GENERAL CONDITIONS FOR GOODS

Legal Revision 5-12-23

- GC 1.0 ENTIRE CONTRACT
- GC 2.0 DELIVERY OF EQUIPMENT
- GC 3.0 INSPECTION, ACCEPTANCE OR REJECTION OF EQUIPMENT
- GC 4.0 MATERIALS AND WORKMANSHIP WARRANTY
- GC 5.0 TITLE WARRANTY
- GC 6.0 PAYMENT OF INVOICES
- GC 7.0 INSURANCE
- GC 8.0 INDEMNIFICATION
- GC 9.0 TERMINATION FOR DEFAULT
- GC 10.0 TERMINATION FOR OUC'S CONVENIENCE
- GC 11.0 INDEPENDENT CONTRACTOR
- GC 12.0 COMPLIANCE WITH CRITICAL INFRASTRUCTURE COMPLIANCE
- GC 13.0 HAZARDOUS MATERIALS OF SUPPLIER
- GC 14.0 NO THIRD-PARTY BENEFICIARY
- GC 15.0 WAIVERS
- GC 16.0 SEVERABILITY
- GC 17.0 ASSIGNMENT
- GC 18.0 FINAL PAYMENT/WAIVER

TABLE OF CONTENTS

Continued

- GC 19.0 BINDING EFFECT
- GC 20.0 TIME IS OF THE ESSENCE
- GC 21.0 RIGHT TO INSPECT/AUDIT DOCUMENTS
- GC 22.0 GOVERNING LAW
- GC 23.0 FORCE MAJEURE
- GC 24.0 DISPUTE PROCESS
- GC 25.0 CONDITIONS FOR EMERGENCY/HURRICANE OR DISASTER
- GC 26.0 INFRINGEMENT OF PATENTS, COPYRIGHTS AND TRADE SECRETS
- GC 27.0 E-VERIFY REQUIREMENTS

GC 1.0 ENTIRE CONTRACT.

These General Terms and Conditions and the Contract for which they are being provided (including attachments thereto) (the "Contract") constitute the entire Contract between the Orlando Utilities Commission ("OUC") and the Party providing goods or materials under the Contract (the "Supplier").

GC 2.0 DELIVERY OF EQUIPMENT.

Delivery of each item of the goods or materials ("Equipment") provided by Supplier will be made at the facility or location designated by OUC (hereinafter referred to as "Delivered" or "Delivery") with all packaging, transportation and unloading charges prepaid and included as part of the price paid by OUC under the Contract ("Contract Price"). Title and risk of loss or damage to the Equipment shall pass to OUC upon acceptance. Refer to "Instructions to Proposers" Section 3.17 FREIGHT.

GC 3.0 INSPECTION, ACCEPTANCE OR REJECTION OF EQUIPMENT.

OUC shall be entitled to inspect all Equipment Delivered to OUC under the Contract. Any Equipment which (i) is damaged or otherwise defective, (ii) if a specification is provided by OUC, does not meet the requirement of such specifications attached to this Contract or those in the bid package, if applicable, or (iii) which has been shipped by mistake, shall be returned to Supplier's carrier and OUC shall be credited on the next invoice from Supplier for such Equipment. The making or failure to make any inspection of, or payment for or acceptance of non-conforming Equipment by OUC shall in no way impair OUC's right to reject or revoke its acceptance of such Equipment or to avail itself of any other remedies to which OUC may be entitled, notwithstanding OUC's knowledge of the nonconformity, its substantiality or ease of discovery. OUC may reject any non-conforming Equipment at any time during the term of the Contract, or, if a one-time Delivery, then within a reasonable time after Delivery by Supplier.

GC 4.0 MATERIALS AND WORKMANSHIP WARRANTY.

Supplier warrants that the Equipment provided under the Contract shall be free from defects in workmanship and material upon Delivery. To the extent that Supplier secures an extended warranty on any piece of Equipment purchased from a manufacturer or vendor, the vendor or manufacturer warranty on that piece of Equipment shall be assigned to OUC by Supplier and Supplier will cooperate with OUC in the enforcement of such warranty.

GC 5.0 TITLE WARRANTY.

Supplier warrants that at the time of Delivery to OUC, the Equipment shall not be subject to any encumbrance, lien, security interest or other defect in title by or through Supplier. In the event of any non-conformity to its title warranty, Supplier shall defend the title to such Equipment upon notice from OUC of defect in title or other third-party claim against such Equipment.

GC 6.0 PAYMENT OF INVOICES.

Payment of each Supplier invoice by OUC shall be made within thirty (30) days after the date of receipt of Supplier's invoice and verification of compliance of the Equipment that has been Delivered with the terms of the Contract. OUC reserves the right to withhold payment for any non-conforming Equipment provided by Supplier.

GC 7.0 INSURANCE.

Unless otherwise waived by OUC, the Supplier and its subcontractors of any tier will be required at their own expense to maintain in effect at all times during the performance of the work insurance coverages with limits not less than those set forth below with insurers and under forms of policies satisfactory to OUC. It shall be the responsibility of the Supplier to maintain adequate insurance coverage and to assure that subcontractors are adequately insured at all times. Failure of the Supplier to maintain adequate coverage shall not relieve itself of any contractual responsibility or obligation.

The requirements specified herein as to types, limits, and OUC's approval of insurance coverage to be maintained by the Supplier and its subcontractors are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by the Supplier and its subcontractors under its Contract.

Any insurance carried by OUC that may be applicable shall be deemed to be excess insurance and the Supplier's insurance primary for all purposes despite any conflicting provision in the Supplier's policies to the contrary.

7.1 Certificates of Insurance.

The Supplier and its subcontractors shall furnish OUC with certificates of insurance as evidence that policies providing the required coverage and limits of insurance are in full force and effect. The certificates shall provide that any company issuing an insurance policy for the work under its Contract shall provide not less than thirty (30) days' advance notice in writing to OUC prior to cancellation, termination, or material change of any policy of insurance. In addition, the Supplier shall immediately provide written notice to OUC upon receipt of notice of cancellation of an insurance policy or a decision to terminate or alter an insurance policy. All certificates of insurance shall clearly state that all applicable requirements have been satisfied, including certification that the policies are of the "occurrence" type. Certificates of any cancellations, terminations, or alterations of such policies shall be mailed to OUC, at the addresses listed in Purchase Order.

7.2 Additional Insureds.

All insurance coverages furnished under this Contract except Workers' Compensation, Employers' Liability and Professional liability shall include OUC,

and its partners, commissioners, directors, officers, agents, and employees as additional insureds with respect to the activities of the Supplier and its subcontractors.

Notwithstanding any other provision of these policies, the insurance afforded shall apply separately to each insured, named insured, or additional insured with respect to any claim, suit, or judgment made or brought by or for any other insured, named insured, or additional insured as though a separate policy had been issued to each. OUC shall not by reason of their inclusion under these policies incur liability to the insurance carrier for payment of premium for these policies.

7.3 Waiver of Subrogation.

The Supplier and its subcontractors shall require their insurance carriers, with respect to all insurance policies, to waive all rights of subrogation against OUC, their partners, directors, officers, agents, and employees and against other contractors and subcontractors.

7.4 Workers' Compensation and Employer's Liability.

This insurance shall protect the Supplier against all claims under applicable state workmen's compensation laws. The Supplier shall also be protected against claims for injury, disease, or death of employees that, for any reason, may not fall within the provisions of a workmen's compensation law. This policy shall include an "all states" or "other states" endorsement.

Exemption certificates shall be accepted if valid during the term of the contract, but only for those eligible corporate officers pursuant to Chapter 440 Florida Statutes. Proof of workers' compensation coverage must still be provided for all employees, sub-contractors not eligible for exemption.

The liability limits shall not be less than:

Workers' compensation	Statutory
-----------------------	-----------

Employer's liability

\$1,000,000 each occurrence

7.5 Comprehensive Automobile Liability.

This insurance shall be written in comprehensive form and shall protect the Supplier and the additional insureds against all claims for injuries to members of the public and damage to property of others arising from the use of motor vehicles, and shall cover operation on or off the site of all motor vehicles licensed for highway use, whether they are owned, non-owned, or hired.

The liability limits shall not be less than:

Bodily injury and property damage

\$1,000,000 limit each occurrence

7.6 Commercial General Liability.

This insurance shall be an "occurrence" type policy (excluding automobile liability) written in comprehensive form and shall protect the Supplier and the additional insureds against all claims arising from bodily injury, sickness, disease, or death of any person or damage to property of OUC or others arising out of any act or omission of the Supplier or its agents, employees, or subcontractors. This policy shall also include protection against claims insured by usual bodily injury liability coverage, a "contractual liability" endorsement to insure the contractual liability assumed by the Supplier under the article entitled INDEMNIFICATION, and "Completed Operations and Products Liability" coverage (to remain in force for two (2) years after final payment and subsequent to project completion). OUC may allow in its sole discretion, a combination of General Liability coverage and Umbrella coverage to satisfy required liability limits.

If the Supplier's work, or work under its direction, requires blasting, explosive conditions, or underground operations, the comprehensive general liability coverage shall contain no exclusion relative to blasting, explosion, collapse of structures, or damage to underground property.

The liability limits shall not be less than:

Bodily injury and property damage

\$2,000,000 limit each occurrence

GC 8.0 INDEMNIFICATION.

Supplier shall to the maximum extent permitted by law defend, indemnify, and hold harmless OUC, its commissioners, officers, directors, and employees from and against all claims, damages, losses, and expenses, (including but not limited to fees and charges of attorneys or other professionals and court and arbitration or other dispute resolution costs) arising out of or resulting from (i) all third-party claims for labor and materials furnished under this Contract for which OUC may become liable for payment under the laws of the state, (ii) the provision of Equipment by Supplier or any person or organization directly or indirectly employed by the Supplier to furnish any of the Equipment or anyone for whose acts any of them may be liable, (iii) breach of the terms of the Contract by Supplier or any person or organization directly or indirectly employed by the Supplier to provide Equipment, (iv) violations of applicable law by Supplier or any person or organization directly or indirectly employed by the Supplier to provide Equipment or anyone for whose acts any of them may be liable, (v) injury or disease or death of third parties (including OUC employees and agents and those of Supplier), or damage to property caused by the negligence, strict liability or willful misconduct of the Supplier or any person or organization directly or indirectly employed by the Supplier to provide Equipment or anyone for whose acts any of them may be liable. Notwithstanding anything in this Section to the contrary, the liability of Supplier under this Section for the indemnification of OUC, its commissioners, officers, directors and employees shall not exceed the greater of (i) the price paid by OUC under the Contract for the Equipment or (ii) Two Million (\$2,000,000) dollars.

GC 9.0 TERMINATION FOR DEFAULT.

Any failure by Supplier to perform or comply with the terms and conditions of the Contract which continues for ten (10) calendar days after written notice from OUC to Supplier demanding that such failure to perform be cured, shall be deemed an event of default by Supplier. Upon the occurrence of any such event of default, OUC may terminate the Contract and pursue any remedies available at law or in equity.

GC 10.0 TERMINATION FOR OUC'S CONVENIENCE.

OUC shall have the right in its sole discretion to terminate by written notice, in whole or in part, the Contract for its convenience. OUC shall pay Supplier for all conforming Equipment Delivered under the Contract prior to the termination date.

GC 11.0 INDEPENDENT CONTRACTOR.

The relationship of the Supplier to OUC shall be that of an independent contractor.

GC 12.0 COMPLIANCE WITH CRITICAL INFRASTRUCTURE PROTECTION (CIP).

If the Supplier will require access to any of the OUC assets listed below ("High & Medium (H&M) Covered Assets") in order to provide the Services under this Agreement, then the Supplier shall provide the OUC NERC Compliance Standards (NCS) department via email at <u>NERCCompliance@OUC.com</u> with a list of Supplier employees or agents that will be performing the services so that they can be cleared for access to H&M Covered Assets per the regulations of the Federal Energy Regulatory Commission (FERC).

12.1 H&M Covered Assets include:

- **12.1.1** High Impact BES Cyber Systems (HIBCS) and the system's associated:
 - A. Electronic Access Control and Monitoring Systems (EACMS)
 - B. Physical Access Control Systems (PACS)
- **12.1.2** Medium Impact BES Cyber Systems (MIBCS) with External Routable Connectivity (ERC) and the system's associated:
 - A. EACMS
 - B. PACS
- **12.1.3** BES Cyber System Information (BCSI) storage locations, whether physical or electronic

12.2 Clearing Supplier Employees and Agents

- **12.2.1** In order to be cleared for access and gain CIP Clearance to H&M Covered Assets, the Supplier must complete a Personnel Risk Assessment (PRA). The PRA consists of a 7-year background check and an Identity Verification (IDV) process. The final step before receiving CIP Clearance is the completion of online CIP Training assigned to the Supplier. The OUC NSC department shall facilitate the PRA and Training processes.
- **12.2.2** If there is any change of status in the employment of any Supplier employee or agent granted access to the H&M Covered Assets, the Supplier is responsible for alerting the OUC NSC department in writing via email to <u>NERCCompliance@ouc.com</u> within 24 hours. For purposes of this section, change in status means an individual who is no longer employed by the Supplier to perform Services on the H&M Covered Assets or who no longer has a need for such access under this Agreement. Failure to provide such notice may result in a violation of FERC regulations.

GC 13.0 HAZARDOUS MATERIALS OF SUPPLIER.

Any Equipment containing Hazardous Materials shall be packaged, shipped, handled, labeled and disposed of by Supplier in a manner that complies with all federal, state and local laws or regulations applicable to Hazardous Materials. No Hazardous Materials shall be stored by Supplier at the Facility before, during or after the performance under this Contract. Supplier shall, at its expense, remove, transport and dispose of all Hazardous Materials (i) brought by Supplier to the Facility or (ii) disturbed by Supplier's performance under this Contract or created by Supplier's use, handling or combination of non-hazardous materials brought by Supplier to the Facility. For purposes of the Contract, the term "Hazardous Materials" shall mean any substance which by law requires special handling, containment or disposal, including without

limitation "hazardous substances" as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 USC Sections 9601, et seq.), the Hazardous Materials Transportation Act, as amended (49 USC Sections 5101, et seq.), "hazardous wastes" as defined in the Resource Conservation and Recovery Act, as amended (42 USC Sections 9601, et seq.), "toxic substances" as defined in the Toxic Substance Control Act as amended (15 USC Section 2601 et seq.), as amended and in the regulations adopted, published, and promulgated pursuant thereto.

GC 14.0 NO THIRD-PARTY BENEFICIARY.

The provisions of the Contract are only for the benefit of the Parties hereto and not for any other legal entity or person.

GC 15.0 WAIVERS.

The failure of OUC to enforce at any time any of the provisions of the Contract or to require at any time performance by Supplier of any of such provisions, shall in no way be construed to be a waiver of such provision, nor in any way to affect the validity of the Contract, or any parts thereof, or the right of OUC thereafter to enforce each and every provision.

GC 16.0 SEVERABILITY.

Should any of the provisions of the Contract, or parts thereof, be held invalid, such provisions, or parts thereof, shall be considered severable and such invalidity shall not affect the remainder of the Contract.

GC 17.0 ASSIGNMENT.

The Contract may not be assigned by Supplier without the prior written consent of OUC. Any purported assignment without such prior written consent shall be null and void.

GC 18.0 FINAL PAYMENT/WAIVER.

The acceptance by the Supplier of the last payment from OUC under the Contract shall be a release to OUC and every officer and agent thereof, from all claims and liability hereunder for anything done or furnished for, or relating to the Equipment provided under the Contract, or for any act or neglect of OUC or of any person relating to or affecting the Equipment provided under that Contract.

GC 19.0 BINDING EFFECT.

All of the provisions of the Contract shall be binding upon and inure to the benefit of and be enforceable by the legal representatives, successors and assignees of OUC and Supplier.

GC 20.0 TIME IS OF THE ESSENCE.

Time is hereby declared of the essence in the performance of each and every provision of the Contract.

GC 21.0 RIGHT TO INSPECT/AUDIT DOCUMENTS.

During the term of this Contract and for a period of three (3) years following its termination, OUC shall have the right, at reasonable times and upon reasonable notice, to audit and inspect, any and all of the records having a bearing upon matters

dealing with the Contract. Supplier shall grant representatives of OUC full access to these records to the extent necessary to adequately permit evaluation and verification of compliance with the terms and conditions of this Contract specifically including cost and allocations.

GC 22.0 GOVERNING LAW.

The validity, construction, and performance of the Contract, shall be governed exclusively by the laws of the State of Florida. Venue shall be any court of competent jurisdiction located in Orange County, Florida. The Parties agree that in no event shall the Uniform Law on the Formation of Contracts for the Sale of Goods, based upon the United Nations Convention on Contracts for the International Sale of Goods (CISG) be applicable to this Contract. If the Supplier's Goods and associated services will gather or utilize OUC data that is subject to the European Union's General Data Protection Regulation ("GDPR"), Supplier shall comply with the requirements of the GDPR and shall indemnify and hold OUC harmless from any such usage.

GC 23.0 FORCE MAJEURE.

23.1 Supplier Force Majeure Delay.

Supplier will not be liable for failure to perform any obligation or delay in performance under this Contract resulting from any cause beyond the reasonable control of Supplier, or from any act of God; act of civil or military authority; act of war whether declared or undeclared; act (including delay, failure to act, or priority) of any governmental authority (federal, state or local); civil disturbance; insurrection or riot; sabotage; fire; inclement weather conditions; earthquake; or flood. Notwithstanding the above, Supplier shall not be excused from performance under this GC-22.0 for any cause resulting from the negligence of Supplier or failure to properly assess the availability of laborers, skilled trades or other workers or the timing of the work under this Contract.

23.2 Extension of Work Schedule.

In the event of a delay or interruption in performance of work under this Contract excusable under this GC-22.0, the time of performance of such work by Supplier will be extended by a period of time the Parties agree is reasonably necessary to overcome the effects of the delay. An extension of time shall be the sole and exclusive remedy for any damages due to delay, including but not limited to loss of profits, loss of use, equipment rental or overhead expenses.

23.3 OUC Termination for Excessive Delay.

If due to the conditions specified above Article 22.1 the Supplier's work under this Contract is delayed for a period of more than ninety (90) days, OUC may terminate the Contract and shall have no further liability to Supplier except for payment for Equipment Delivered in accordance with the Contract up to the termination date.

GC 24.0 DISPUTE PROCESS.

24.1 General:

- 24.1.1 **The procedures specified herein shall be the sole and exclusive** procedures for the resolution of disputes between the Parties arising out of or relating to this Contract. The Parties will participate in good faith in the procedures specified in this Section.
- 24.1.2 All applicable statutes of limitation and defenses based upon the passage of time shall be tolled while the procedures specified in this Section are pending. The Parties will take such action, if any, required to effectuate such tolling.
- 24.1.3 In the event of any dispute under this Contract which cannot be readily resolved, it shall be referred to the appropriate executives of the respective Parties to this Contract (hereinafter "Party" or "Parties") for negotiation and resolution as described below.
- 24.1.4 If the dispute has not been resolved by negotiation or mediation as provided herein within sixty (60) days of the initiation of such mediation procedure, either Party may initiate litigation upon ten

(10) days' written notice to the other Party; provided, however, that if **one Party has requested the other to participate in a nonbinding** procedure, as provided for under this Section, and the other has failed to participate, the requesting Party may initiate litigation before expiration of the above period.

24.2 Disputes:

- 24.2.1 Disputes, as defined herein and under the Contract include disagreements, claims, counterclaims, matters in question, and differences of opinion between OUC and Supplier regarding the Equipment and modifications or changes to the Equipment. Disputes may involve interpretation of Contract Documents, acceptability of the Equipment, costs and/or time for Delivery of Equipment.
- 24.2.2 Disputes may also involve other subjects mutually agreed by OUC and Supplier.

24.3 Payment Disputes:

- 24.3.1 If a dispute arises between the Supplier and OUC, the dispute shall be submitted to an appropriate panel assembled by the Manager of Purchasing no later than forty-five (45) days after receipt of the disputed payment. OUC shall render a final decision on the disputed payment within sixty (60) days after receipt of the invoice.
- 24.3.2 If the dispute is decided in favor of OUC, interest shall begin to accrue at the maximum allowable rate under Florida law, fifteen (15) days after the decision is announced.
- 24.3.3 If the dispute is decided in favor of Supplier, interest shall accrue as

of the original date the payment became due.

24.3.4 The panel's final decision can be taken as a contract dispute through the process outlined below.

24.4 Step Negotiations:

- Either Party may give the other Party written notice of any dispute not 24.4.1 resolved in the normal course of business. Executives of both Parties at levels one step above the project personnel who have not previously been involved in the dispute shall meet at a mutually acceptable time and place within ten (10) days after delivery of such notice and thereafter as often as they reasonably deem necessary, to exchange relevant information and to attempt to resolve the dispute. If the matter has not been resolved by these persons within thirty (30) days of the disputing Party's notice, or if the Parties fail to meet within ten (10) days, the dispute shall be referred to senior executives of both Parties who have authority to settle the dispute and who shall likewise meet to attempt to resolve the dispute. If the matter has not been resolved within thirty (30) days from the referral of the dispute to senior executives, or if no meeting of senior executives has taken place within fifteen (15) days after such referral, either Party may initiate mediation as provided hereinafter.
- 24.4.2 All negotiations pursuant to this Section shall be confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence.

24.5 Mediation:

- 24.5.1 If the dispute has not been resolved by negotiation as provided herein, the Parties shall endeavor to settle the dispute by mediation. Either Party may initiate a mediation proceeding by a request in writing to the other Party. Thereupon, both Parties will be obligated to engage in mediation. The proceeding will be conducted in accordance with the then current International Institute for Conflict Prevention & Resolution, Inc. ("CPR") Model Procedure for Mediation of Business Dispute or other mutually agreed upon procedures, with the following exceptions:
 - 24.5.1.1 If the Parties have not agreed within thirty (30) days of the request for mediation on the selection of a mediator willing to serve, the CPR, upon the request of either Party, shall appoint a member of the CPR Panel of Neutrals as the mediator; and
 - 24.5.1.2 Efforts to reach a settlement will continue until the conclusion of the proceeding, which is deemed to occur when: a) a written settlement is reached, or b) the mediator concludes and informs the Parties in writing that further efforts would not be useful, or c) the Parties agree

in writing that an impasse has been reached. Neither Party may withdraw before the conclusion of the proceeding.

24.5.2 The Parties regard the aforesaid obligation to mediate as an essential provision of this Contract and one that is legally binding on them. In case of a violation of such obligation by either Party, the other may bring an action to seek enforcement of such obligation in any court of law having jurisdiction thereof.

24.6 Litigation:

- 24.6.1 If the dispute has not been resolved by negotiation or mediation as provided herein within sixty (60) days of the initiation of such mediation procedure, either Party may initiate litigation upon ten (10) days written notice to the other Party; provided, however, that if one Party has requested the other to participate in a nonbinding procedure, as provided for under this Section, and the other has failed to participate, the requesting Party may initiate litigation before expiration of the above period.
 - 24.6.1.1 All applicable statutes of limitation and defenses based upon the passage of time shall be tolled while the procedures specified in this Section are pending. The Parties will take such action, if any, required to effectuate such tolling.
 - 24.6.1.2 Claims, counterclaim, disputes, and other matters in question between OUC and Supplier that are not resolved will be decided in the Ninth Judicial Circuit, in and for Orange County, Florida, which shall have exclusive jurisdiction and venue over all matters in question between OUC and Supplier.

GC 25.0 CONDITIONS FOR EMERGENCY/HURRICANE OR DISASTER.

It is hereby made a part of this Contract that before, during and after a public emergency, disaster, hurricane, flood, or other acts of God that OUC shall require a "first priority" basis for Equipment. It is vital and imperative that the majority of citizens are protected from any emergency situation which threatens public health and safety, as determined by OUC. Supplier agrees to rent/sell/lease all goods and to provide Equipment to OUC on a first priority basis. OUC expects to pay contractual prices for all Equipment required during an emergency situation. Supplier shall furnish a twenty- four (24) hour phone number in the event of such an emergency.

GC 26.0 INFRINGEMENT OF PATENTS, COPYRIGHTS AND TRADE SECRETS.

Supplier warrants that it holds all right, title and interest to, or has sufficient license rights in, any patents, copyrights, trade secrets or other proprietary right necessary to provide the Equipment and any licensing fees or royalties required to allow OUC to utilize the Equipment are included as part of the Contract Price. Supplier further warrants that OUC's (including its contractors and agents) use of the Equipment shall

not infringe upon the patents, copyright, trade secrets or other intellectual property of third parties. Supplier will, at its own expense, defend or at its option settle any suit or proceeding brought against OUC so far as based on an allegation that any Equipment (or any part thereof), or use thereof for its intended purpose, constitutes an infringement of any patent, copyright, trade secret or other proprietary right of a third party. Supplier will pay the damages and costs awarded in any suit or proceeding so defended. In case any suit or proceeding so defended is held to constitute infringement or its use by OUC is enjoined, Supplier will, at its option and its own expense, either: (a) procure for OUC the right to continue using said Equipment; (b) replace them with substantially equivalent non-infringing Equipment; or (c) modify them so they become non-infringing.

GC 27.0 E-VERIFY REQUIREMENTS

Pursuant to Section 448.095, Florida Statutes, Supplier acknowledges that if awarded a Contract pursuant to this bid, Supplier and its subcontractors are required to utilize the

U.S. Department of Homeland Security's (DHS) E-verify system to verify the employment eligibility status of all new employees hired by the Supplier during the Contract term. Supplier shall include in related subcontracts a requirement that sub- contractors performing work or providing services pursuant to the Contract utilize the E- Verify system to verify employment of all new employees hired by the sub-contractor during the Contract term.

By executing this Contract, the Supplier certifies that it is registered with, and uses, the E-Verify system for all newly hired employees. In addition, if Supplier enters into a contract with a subcontractor, the Supplier must obtain an affidavit from its subcontractor(s) in accordance with paragraph (2)(b) of section 448.095, F.S., and shall maintain a copy of such affidavit for the duration of the Contract.

This section serves as notice to the Supplier regarding the requirements of section 448.05, F.S., specifically sub-paragraph (2)(c)(1), and OUC's obligation to terminate the Contract if it has a good faith belief that the Supplier has knowingly violated section 448.09(1), F.S. If terminated for such reason, the Supplier will not be eligible for award of a public contract for at least one year after the date of such termination. OUC reserves the right to order the immediate termination of any contract between the Supplier and a subcontractor performing work on its behalf should OUC develop a good faith belief that the subcontractor has knowingly violated section 448.095(1), F.S.