



GE VERNOVA

GE Vernova Operations, LLC

Proposal for

GE10 IGV Actuator Upgrade

for

The City of Riverside, California

RFP No. 2357

GE Proposal Number: 1677895_R2

Dated: August 6, 2024

General Electric Company Proprietary Information

The information contained in this document is General Electric Company proprietary information and is disclosed in confidence. It is the property of General Electric and shall not be used, disclosed to others, or reproduced without the express written consent of General Electric. If consent is given for reproduction in whole or in part, this notice and the notice set forth on each page of this document shall appear in any such reproduction in whole or in part. The information contained in this document also may be controlled by the U.S. export control laws. Unauthorized export or reexport is prohibited.



August 6, 2024

Ms. Angela Kilgo
The City of Riverside
Finance–Purchasing Division
Public Utilities Department
3900 Main Street
Riverside, California 92522

Hector Guzman
Aero Services Sales Manager
11330 Clay Rd
Houston, TX 77041

T 281 961 1273
E-mail hector.guzman1@ge.com

Request for Proposal No. 2357 – Replacement of Actuators and Drivers on Four Gas Turbine Engines at Springs Generation Facility

GE Vernova Operations, LLC. (hereinafter referred to as “GE” or “Company”) is pleased to provide the City of Riverside (hereinafter referred to as “Riverside” or “City”) this proposal in response to your RFP #2357 for the upgrade of GE10/1 Combustion Chamber & IGV Actuators. Our Quotation contains the proposed “Scope of Work” which shall include the material and specialized labor necessary to Upgrade the Inlet Guide Vane Actuators of the GE10/1 Gas Turbine Axial Compressor listed below.

Tag	G.T. S/N	N.P. Job no.	G.T. Model	Driven Equip.	Control System
GT 1	G06560	1704663	GE10/1 DLN	Generator	Mark*VI SMX
GT 2	G06562	1704647	GE10/1 DLN	Generator	Mark*VI SMX
GT 3	G06563	1704648	GE10/1 DLN	Generator	Mark*VI SMX
GT 4	G06565	1704650	GE10/1 DLN	Generator	Mark*VI SMX

GE will subcontract 100% of this work to Baker Hughes. Baker Hughes is the Original Equipment Manufacturer of the GE10. GE will act as the invoicing entity for this upgrade and will assist in scheduling. Therefore, much of this proposal will directly refer to Baker Hughes.

GE has fully reviewed the RFP. We look forward to entering a contract with the City of Riverside under the Terms and Conditions contained in the agreed-to GE / Riverside Products & Services Terms & Conditions.

I look forward to hearing from you and your team with any questions regarding our proposal.

Kind Regards,

Hector Guzman
GE Vernova Aero Services Account Manager



Pricing Summary

Material (Fixed Price) All services and scope in the "Material" section of proposal (pages 5-21)	334,536.00
Field Services (Estimate) All services and scope in the "Field Services" section of proposal (pages 22-44)	\$440,305.80
Taxes	\$29,271.90
TOTAL PRICE:	\$804,113.70



Table of contents

Section 1	Executive Overview Material	5
Section 2	Technical Proposal Material	6
Section 3	Commercial Proposal Material	22



Section 1 Executive Overview – Material

The proposed BAKER HUGHES products and services include the following (the "Scope of Work"):

Upgrade of Inlet Guide Vanes Actuator of GE10/1 Gas Turbine Axial Compressor

suitable for the following units:

Tag	G.T. S/N	N.P. Job no.	G.T. Model	Driven Equipment	Control System
Springs Substation GT 1	G06560	1704663	GE10/1 DLN	Generator	Mark*VI SMX
Springs Substation GT 2	G06562	1704647	GE10/1 DLN	Generator	Mark*VI SMX
Springs Substation GT 3	G06563	1704648	GE10/1 DLN	Generator	Mark*VI SMX
Springs Substation GT 4	G06565	1704650	GE10/1 DLN	Generator	Mark*VI SMX

The Proposal is subject to the annexed Terms and Conditions and the other terms set forth in this document.

This Proposal supersedes all previous written and verbal offers regarding the Scope of Work. Please feel free to call or e-mail us should you have any questions or require further information.



Section 2 Technical Proposal – Material

Chapter 1 Technical Description

Under the present proposal Baker Hughes is willing to propose the upgrade of currently obsolete actuation systems for turbine axial compressor IGV to latest BH standard.

Required upgrades included in proposed scope are described here below.

1.1 Inlet Guide Vanes (IGV) Actuator Upgrade

The current PGT10/1 IGV electric actuator (Woodward EMI40, Nuovo Pignone code RAO20139) is no longer available on the market. Its replacement requires an upgrade to a new model, latest version available for this application, for which BH is submitting here its proposal for the upgrade.

For the arrangement of the new proposed electric actuator, mechanical and electrical modification on gas turbine skid (up to field junction boxes) shall be considered here.

Please find below the details of the proposed solution.

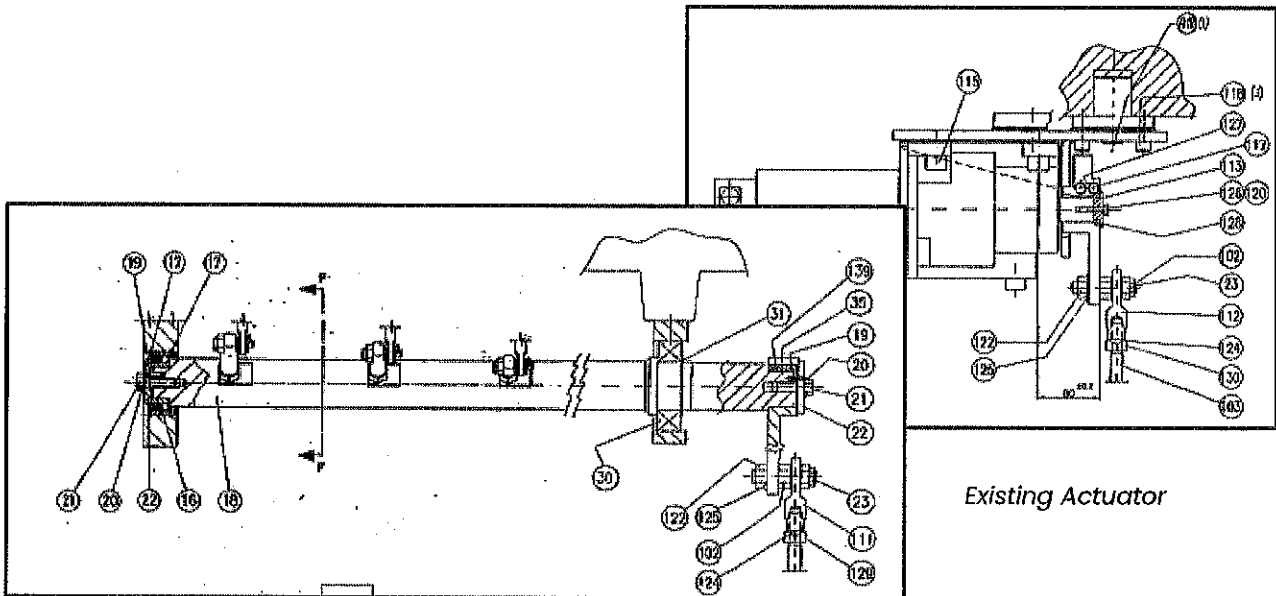
1.2 IGV Actuator Mechanical modification

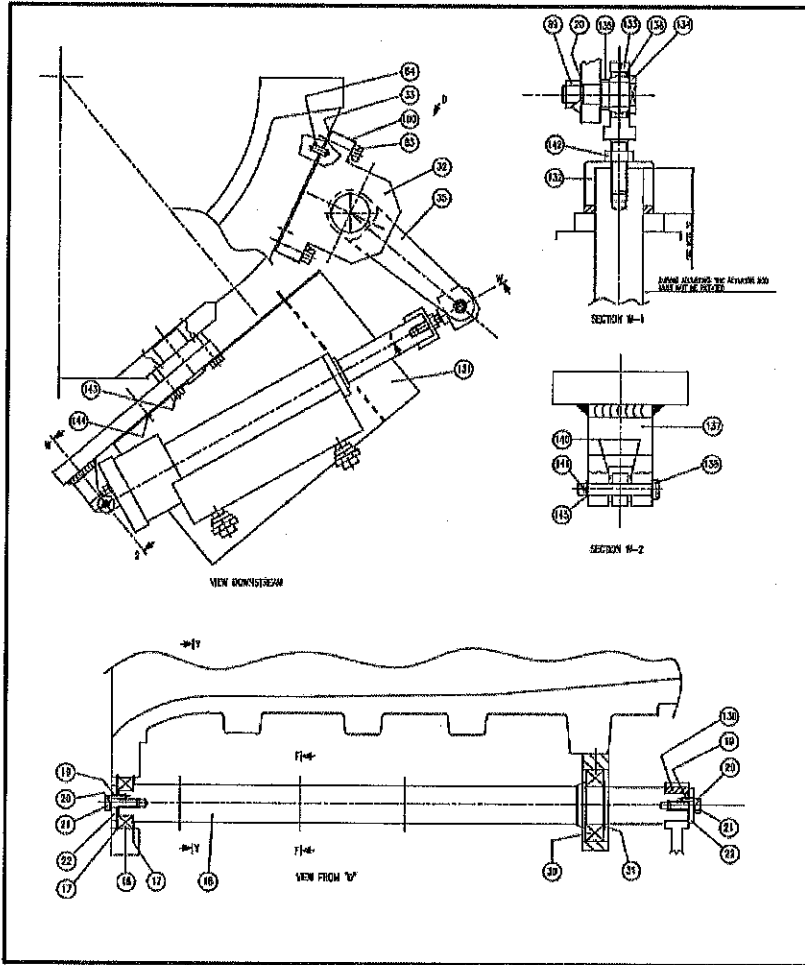
The existing actuator includes the actuator and the driver, installed on the fuel gas skid.

The new actuator ACT1000HF from Meggit does not need the separate driver, being the interconnecting cable wired directly to the actuator.

For the new electrical actuator installation, the following components will be replaced:

- Electrical actuator support, bolts, and washer.
- Shaft (pos. 18 –fig 1), support, bearings, and anchor features.
- Bracing (pos. 35– fig 1) and its anchor bolt.

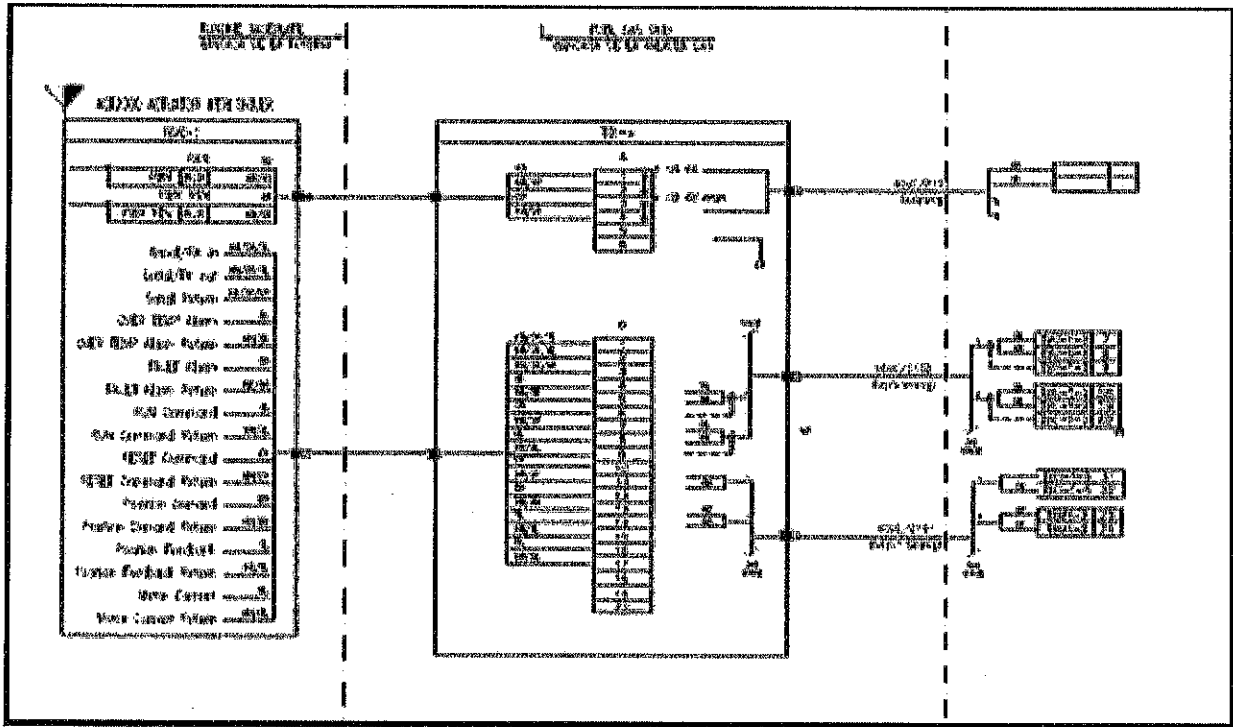




New Actuator Assembly

1.3 Instruments and control modifications

The new Electric IGV actuator have on-board electronics for UCP to Actuator interface (No digital driver required). Existing connection from actuator to GT skid edge junction box will be modified to the configuration shown here below.



(Simplified scheme. The final wiring diagram will be developed in the phase of detailed engineering)

A new Terminal Box and a new cable between actuator and such TB will be included in BH scope of supply.

The above shown configuration will NOT require any modification to either the installed interconnecting wiring or the existing Mark VI Turbine Control Panel I/O and hardware.



Chapter 2 Scope of Supply

2.1 Materials

The Baker Hughes Scope of Supply includes the design, manufacturing, standard testing, packing for shipment and delivery of the following major components:

Item	Description	Quantity
8	IGV Electric Linear Actuator; Meggit ACT 1000 HF	4
9	IGV actuator Terminal Box	4
10	IGV Actuator Installation materials, including: - Electrical actuator support, bolts, and washer. - Shaft, support, bearings, and anchor features. - Bracing and its anchor bolt.	4 sets
11	Cables and wiring material for connection of actuator to new Terminal Box	4 sets
12	Software & internal wiring modification to Mark*VI UCP for interface with new actuators & servo drives	4 sets

Note:

- The material will be supplied loose according to Baker Hughes standard packing for shipment.
- All the materials will be designed according to Baker Hughes standards and its vendor list.
- All the materials will be supplied according to Baker Hughes standards quality control plan (QCP)

2.2 Vendor documentation

The following table shows the preliminary list of documents to be supplied:

Item	Description
1	Schematic Piping Diagram (P&I)
2	Field Instruments List
3	Field Wiring Diagram
4	Manuals, certificates, and quality control documentation for supplied devices

Notes:

- Any "Comments Resolution Sheet" (CRS)" format used during the Project's execution has to be intended as a means to facilitate official document closure and approval, through attainment of mutual agreements upon clarifications/comments raised by City and replied by Company.



In case of conflicting information between the CRS and the documents submitted through official channels, the latter shall prevail.

- The documentation included in the table above will be provided as new documents, relevant only to the upgrade, or revision of ones as currently stored in Company's archives;
- One set of documents will be produced for every different configuration of the units, in accordance to current documentation sets.
- As-Built actualization drawings will be supplied as required for this scope of work, however, this will not include any previous modification not included in the scope proposed here.
- All the documentation will be supplied in English language, drawn in conformity to Baker Hughes/ Nuovo Pignone standards.
- Baker Hughes will deliver documents in electronic format (PDF) through Oracle Unifier (No hardcopies), a web-based application with secure access control; it is excluded the release of any 'native' format file. BH shall provide 2 hard copy "D-Size" drawings of the as built drawings at project close.
- Lead time to release documents included in the table above will be in accordance with Baker Hughes / Nuovo Pignone standard, and will be agreed at job kickoff

Chapter 3 Proposal Basis

3.1 Exclusions

Any product and services not listed in the foregoing paragraphs are not included and, in case, are the responsibility of the City. In particular, but not limited to, the following is excluded:

- Upgrade of K-One burner combustion air actuator
- Storage of goods in case that materials cannot be collected to the site.
- Customer meetings outside Company's facilities.
- Refer to Field Service Scope of Supply for Field Services associated with hardware being provided.
-
- Any assessment on current turbogenerator conditions;
- Any service and/or material for routine maintenance of existing equipment;
- Any customer specification application not in line with Baker Hughes applied standards
- Exclusion of any other Spare Part not included in this scope of work.
- Revision / update of documentation in "as-running" status for modification other than the ones included in Company's scope;
- Any Interconnecting Power, Signal or Network cables additional to the ones specified in proposal (i.e., 80 m of special cables for combustion air actuator);
- Any modification to gas turbine enclosures;
- Any Functional Safety (SIL) assessment;



- Any witnessed FAT (Factory Acceptance Test);
- Any certification of the devices which are not included in scope;
- Any addition of Mark VI control components or hardware upgrade of Unit Control System;
- Any hardware or software modification to the existing control and supervisory systems (e.g. DCS, ESD, Station Control, Historian, ...) external to Mark VI Unit Control Panel;
- Any modification or upgrade to electrical distribution systems/panels (e.g. MCC, DCP, ...);
- Any material, engineering, documentation, work and/or service not specifically mentioned in this proposal.

3.2 Assumptions

- Company deems this proposal meets the intent of City's request for quotation and will be the document of reference in any resulting contract.
- The equipment will be considered as originally supplied (as per job indicated in Section 1) with the modifications sold/implemented and recorded by Company. In case the documents as above specified are not updated due to modifications done during the years by City, the updated ones (As Built) shall be provided by City to Company and the Proposal will be revised accordingly.
- The proposed Scope of Supply is the best estimate based on Company's knowledge of the involved equipment at the time of this proposal issue, that is represented by the documents available in Company's Archives. Any deviation from the list presented may result in a corresponding adjustment to the proposal scope and price.
- Company reserves the right to review and re-quote this project if there is a discrepancy between this proposal and the purchase order. If Company receives additional City's specifications between the issuance date of this proposal and receipt of the purchase order, Company reserves the right to re-evaluate this proposal.
- It is assumed that those items (such as cabling, sensors, field devices, ect.) not being replaced in the Scope of Supply are in good working conditions.
- Whole project Scope of Supply will be according to Baker Hughes Vendor list.
- Factory tests, inspections and certifications are proposed in accordance to Baker Hughes Standard Quality Control Plan

3.3 City's responsibilities

Where the project must incorporate City's specific requirements, City must proactively participate in all project activities, which includes the following general requirements:

- Provide as Built version of requested equipment documentation
- Provide Area Classification Drawing on the outside of gas turbines enclosure and required design ambient conditions.
- Respond to Companies inquiries and requests for documentation promptly



- Direct all communications through Company assigned Project Manager or other member of Company's team as directed by Project Manager
- Document, in writing, approvals for all change orders
- Attend Project status meetings.
- Permit and assist for effective site survey visit (if and where required by Company)
- Provide full (sequences + screens) and updated ("as-running") back-up of existing Mark VI control system and HMIs software for all units covered by the contract

All requested documentation/software/information shall be provided by City to Company at the time of placement of order. If not timely provided, the project cannot be initiated, and the delivery time shown within this proposal will be subject to potential delay.

Chapter 4 Technical Documentation Order of Precedence

In the event of any inconsistency among any of the documents, the following order of precedence shall apply:

1. Baker Hughes Final Technical Proposal
2. Material Requisition, as amended by Baker Hughes exceptions
3. Requisition Data Sheets, as amended by Baker Hughes exceptions
4. Project Specifications, as amended by Baker Hughes exceptions
5. Project Procedures, as amended by Baker Hughes exceptions
6. International Codes and Standards (API, ASME, ISA etc.) as specifically recalled in the contract (with Baker Hughes comments and exceptions)

Notwithstanding anything to the contrary, BH shall comply only with the specifications listed in the Material Requisition as amended by BH's exceptions. It is understood and agreed that BH shall not be responsible to comply with embedded specifications, unless such embedded specifications are clearly listed in the Material Requisition as applicable specifications and accepted by Baker Hughes.

Chapter 5 Technical Regulatory Standard (TR&S)

Baker Hughes Company (BH) supply will comply with all currently known product regulatory requirements impacting our products, as Original Equipment Manufacturer (OEM), as follows: for electrical items to be used in hazardous area, according to National Recognized Testing Laboratories (NRTL) for pressure equipment will design according to American Society of Mechanical Engineers (ASME).

Customer needs to inform BH if a Professional Engineer stamp and signature is required for any project document and agree the list of documents in the official VDR; if not, BH will not provide it.

All electrical components/instruments installed in hazardous areas, that make up the assembly/skid, will have appropriate NRTL markings showing suitability for the intended hazardous area usage and the wiring methods comply to National Electrical Code NEC 500/505 or ordinary location (as applicable). However, the Occupational Safety and Health Administration (OSHA's) authority is



limited to employers; therefore, OSHA does not require manufacturers or Companies, as applicable, to have the products they manufacture or supply certified by an NRTL; therefore skids/assembly are not provided as standard with an NRTL certification/label.

Any field evaluation that Baker Hughes would conduct at our/Companies shops can only be incomplete and partial since equipment is not installed in the place of use and is missing all of the necessary interconnecting wirings (as per OSHA); therefore, it is not possible for the testing entity to evaluate safety of the system as in use, BH in its factories would be able to perform (on request agreed during bid phase) a preliminary evaluation without any certificate or label. Field evaluation of the assembly shall be in Customer scope at site.

In case of Power Generator that should be connected to the grid: frequency/voltage variation requirements shall be clarified by customer indicating Grid connection agreements and as mandated by the grid Authority.

As per OSHA indication it is not specified if it is mandatory for the manufacturer to proof test of 125% for special lifting devices, therefore Customer shall specify if it is required in the contract.

Baker Hugh shall us United States Customary system of measurements for this project.

Company Information

Request for Proposal No. 2357

Replacement of Actuators and Drivers on Four Gas Turbine Engines at Springs Generation Facility

Baker Hughes Company is a publicly traded company listed on the Nasdaq Global Select Market under the ticker NASDAQ: BKR.

We develop and deploy technology to help meet the world's demand for energy and to advance industry. We are guided by our purpose to take energy forward – making it safer, cleaner, and more efficient for the people and the planet. As the world face the energy trilemma, we have a clear role to play and our purpose has never been more relevant.

We deliver across the energy value chain through our market-leading business segments. We offer the broadest portfolio of technology solutions for energy and industry to improve productivity, reliability, and transform outcomes for the better.

Industrial & Energy Technology combines a broad array of domain expertise, technologies, and services to support industrial and energy customers with solutions that drive productivity and safety and that enable a reliable, efficient, net-zero energy system - from natural gas all the way through to hydrogen, CCUS, clean power, refinery and petrochemical, aerospace, automotive, and nuclear.

Oilfield Services & Equipment is committed to ensuring that the oil and gas industry remains a vital and reliable source of energy for the planet by leading the way to drive



greater efficiency and more predictable outcomes, leveraging new technology and digital solutions, and pursuing new markets in areas like geothermal and carbon sequestration.

We conduct business in 120+ countries worldwide. A company of global scale with local know-how and commitment to service.

We work in partnership with our customers, wherever they are, to deliver better outcomes. We are proud that our people and our businesses are part of the fabric of the communities in which they work.

Our people are the trusted experts, relied on to solve customer challenges big and small. We invest in the health and well-being of our workforce, train and reward talent, and develop leaders at all levels to bring out the best in each other.

The Industrial & Energy Technology (IET) business segment: creating technologies and solutions at the heart of industrial productivity and a net-zero energy system.

The Industrial & Energy Technology (IET) segment combines a broad array of domain expertise, technologies, software, and services for energy customers including on-and offshore, LNG, pipeline and gas storage, refining, petrochemical, distributed gas, nuclear, hydrogen, carbon capture, utilization and storage, clean power, and renewables. It also provides cutting edge technology for hard-to-abate industries and broader industrial verticals such as aviation, automotive, marine, food and beverage, mining, cement, and utilities.

Our solutions unlock the ability to transform, transfer, and transport energy efficiently, while capturing and cutting emissions, solving a fundamental challenge behind the energy trilemma: reducing environmental impact, while maximizing efficiency, safety, productivity, reliability and availability.

Baker Hughes' IET business segment is organized into 5 core business units - **Gas Technology Equipment**, **Gas Technology Services**, **Climate Technology Solutions**, **Industrial Products**, and **Industrial Solutions**.

Gas Technology Equipment delivers highly efficient mechanical and electric drive compression and power generation technology for projects across the natural gas value chain.

Gas Technology Services provides advanced aftermarket support and uptime availability in critical environments and through every stage of our customers' equipment and plant lifecycle.

Climate Technology Solutions accelerates the decarbonization of energy and hard-to-abate industries with CCUS, hydrogen, clean power, and emissions abatement solutions.



Industrial Solutions offers a unique suite of hardware, software, and edge device solutions that enable asset performance and process optimization.

Industrial Products includes a broad portfolio of component products and service offerings that enable industrial safety and productivity across diverse industry verticals. This includes cutting edge inspection technology and valves and gears technology for process flow and control.

Company Personnel / Experience and References

Request for Proposal No. 2357

Replacement of Actuators and Drivers on Four Gas Turbine Engines at Springs Generation Facility

Sales Manager:

Tom Hadden

Thomas.hadden@bakerhughes.com

281-610-1164

575 N. Dairy Ashford, Houston TX 77079, USA

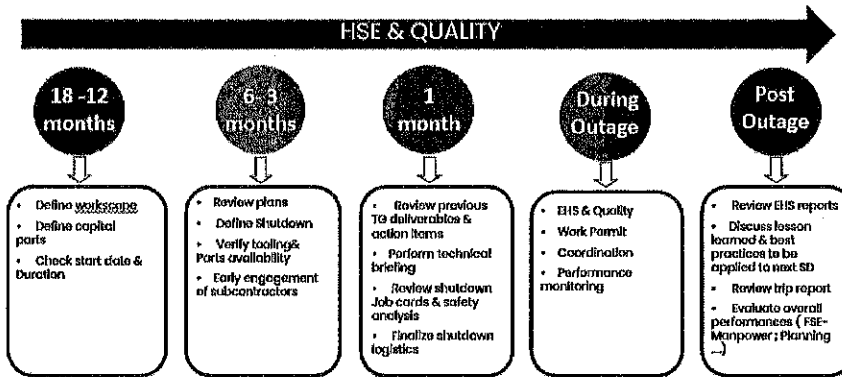


Project Manager:
Mounia Souir
mounia.souir@bakerhughes.com
1 346 291 9986
575 N. Dairy Ashford, Houston TX 77079, USA

Field Services Manager
Marcius Pereira
marcius.pereira@bakerhughes.com
346-257-1569
575 N. Dairy Ashford, Houston TX 77079, USA

Hector Guzman	GE Senior Sales Manager	+1 (281) 961 1273
Jim Canon	GE Senior Sales Manager	+1 (253) 468 4777
Christina Diaz	GE Senior Customer Service Manager	+1 (281) 740 0101

Outage Excellence



110 FSEs

- 35 Full time residents
- 35 FSE
- 40 Regional Affiliates FSEs

>1000 worldwide FSEs

Technical skills

- 32 Controls & Mapping
- 65 ADGT, HDGT,
- 13 ST CECO Mechanical

Multiskilled FSEs to better serve our Customers



Examples of Personnel to be utilized:



Joel Rivera Curriculum Vitae

MECHANICAL ENGINEER

Name: Joel Rivera
BH SSO: 223031860
Education: BACHELOR DEGREE
Nationality: MEXICO



Table with 2 columns: Language, Level. Row: English, Good

QUALIFICATION SUMMARY

5 years of experience in Oil & Gas industry; covering MECHANICAL ENGINEER role on MAINTENANCE projects. Specialization skills on Aero Derivative Gas Turbine and Heavy Duty Gas Turbine working mainly on LNG and with significant experience on Gas Production plant, Gas Rejection plant and Power Generation. Role and responsibility as Aero Specialist, HD Gas Turbine Specialist and Material Manager.

SPECIALIZATION AREAS

- Machine Model: LM2500-PGT25, LM1800-6000, PGT 5-10, FR 3-5, FR 6-7-9, GE 5-10
Mechanical activity: AERO DERIVATIVE SERVICES, HEAVY DUTY TURBINE SERVICES
Management roles: MATERIAL MANAGER

Table with 6 columns: Period, Country, Site, Customer & Project, Scope of Work, Equipment, Roles Title at Site. Contains 20 rows of project history.



Period	Country	Site/Customer & Project	Scope of Work	Equipment	Role/Title at Site
Aug 2022	COLOMBIA	Ecopetrol, Barrancabermeja	Boroscopy	MS600B	HD Gas Turbine
Jul 2022	BOLIVIA	YFPB, Ammonia Plant	Boroscopy	MS6002E	HD Gas Turbine
Jun 2022	UNITED STATES	Sabine Pass LNG, Cheniere	Modular	LM2500+SAC G4 PGT26	Aero Specialist
May 2022	COLOMBIA	Ecopetrol, Barrancabermeja	Boroscopy	MS600B	HD Gas Turbine
Apr-May 2022	GUYANA	Exxon Mobile, SBM	Commissioning	LM2500+SAC G4	Aero Specialist
Mar 2022	PERU	Hunt, Peru LNG	Hotgas Path	LM2500+DLE	Aero Specialist
Nov 2021 / Mar	PERU	Pluspetrol, Camisea	Major Overhaul	MS6002D	HD Gas Turbine
Nov 2021	COLOMBIA	Ecopetrol, Barrancabermeja	Boroscopy	MS600B	HD Gas Turbine
Nov 2021	COLOMBIA	Ecopetrol, Barrancabermeja	Boroscopy	LM6000PC	Aero Specialist
Oct-Nov 2021	PERU	Hunt, Peru LNG	Hotgas Path	LM2500+DLE	Aero Specialist
Sep-Oct 2021	MEXICO	PEMEX, Cantarell Akal L	Modular	PGT10-2	HD Gas Turbine
Aug-Sep 2021	COLOMBIA	Ecopetrol, Barrancabermeja	Modular	LM6000PC/PA	Aero Specialist
Jul-Aug 2021	PERU	Hunt, Peru LNG	Hotgas Path	LM2500+DLE	Aero Specialist
Jun-Jul 2021	COLOMBIA	Ecopetrol, La Floreña	Modular	PGT26+DLE G4	Aero Specialist
Apr-May 2021	MEXICO	PEMEX, Cantarell Akal L	Modular	PGT10-2	HD Gas Turbine
Mar 2021	MEXICO	PEMEX, Ku Maloob Zaap C	Modular	LM2500+DLE G4	Aero Specialist



Experience and References

We can provide specific references after bid has been awarded. We can provide examples of experience and references. Refer separate document

Evidence of Insurance

Please see Attachment 1 for GE's current Certificate of Insurance with the City of Riverside.

Disclosures

Please see GE's responses in Attachment 2.



Section 3 Commercial Proposal

Chapter I: Price & Delivery schedule

1.1 Price

Baker Hughes is pleased to summarize the Price breakdown for the Scope of Work defined in this Proposal, in the following table.

The prices herein are in **USD** except where stated differently.

The quoted prices are fixed and not subject to escalation during the period of validity of this Proposal and are exclusive of V.A.T and other taxes or duties that may be due outside the Baker Hughes country of manufacture. GE reserves the right to adjust the prices as necessary to take into account any changes, options or other adjustments provided for in the final Contract with the City or City Purchase Order.

Scope of supply for 4 units

Item	Description	n. Units	Total Price - USD
1	Main Scope of supply as per Chapter 2 Scope of supply	4	\$ 334,536
2	Taxes	4	\$29,271.90

1.2 Delivery schedule

The delivery of products and other deliverables in the Scope of Work shall take place in accordance with the following schedule:

Item	Description	Date
1	Scope of supply as per Chapter 2 Scope of supply	47 weeks

Company shall deliver the Products and or Parts in accordance with Incoterms 2010, FCA Company's Facility

The "Delivery Date" for any item of Products/Parts is defined as the date on which such item is Delivered in accordance with this Article. Partial Delivery and Delivery in advance of the Delivery schedule shall be permitted, unless otherwise specified in the final Contract or Purchase Order.

The above delivery schedule is however subject to prior sales made by Baker Hughes before the date of the final Contract or Purchase Order.

Flexibility in PO execution clause: Considering the unprecedented volatility and the current tensions on the commodities market, should one or more critical items included in the scope of supply be adversely and materially affected by market conditions at the time of the Company purchase order to Company's sub-Companies (e.g. sudden unavailability or significant increase in procurement lead time, significant cost increase etc...), Company shall notify the City of the



expected impacts on the job in execution and, after giving City evidence of the above, Parties shall meet and agree a reasonable adjustment of contract price and delivery time.

1.3 Proposal validity

The GE Proposal is valid for a period of 160 calendar days from the date of this Proposal.

The Proposal is subject to the Terms and Conditions and the other terms set forth in this document.

Chapter 2: Payment terms

Payments shall be made only by the City entity identified in this Proposal in US Dollars (USD), as set forth in the schedule below ("Payment Schedule") without any setoff whatsoever (including, without limitation, setoff under other contracts with the City or its affiliates). Payment instructions shall be provided on each invoice. The Company shall issue invoices in a timely manner and on completion of each milestone or event, or on the calendar date indicated below, and such payment shall be due and payable by City net **Thirty (30)** days from the date of the Company's invoice.

In addition to the foregoing, the City shall pay interest to the Company at the rate of (1.5%) per month (or any fraction thereof), not to exceed the lesser of (18%) per annum or the maximum amount permitted by applicable law, on all amounts not timely paid.

Item	Description	%
1	At PO placement	10
2	First set of engineering documents	30
3	At Delivery	60

The Company may, by giving fifteen (15) days written notice of payment default to the City, suspend performance of any of its obligations under the final Contract or Purchase Order or any part thereof, if the City fails to pay the Company any undisputed amount within the terms specified in the final Contract or Purchase Order. Delivery dates shall be adjusted accordingly, without application of liquidated damages.

Chapter 3: Terms and Conditions

This Proposal is based on the terms stated herein and on the previously agreed to terms contained in the Products and/or Services Terms and Conditions for City of Riverside Nov 19 2019 (please see Attachment 3).

In the event of any conflict in the terms and conditions between this proposal and the Products and/or Services Terms and Conditions for City of Riverside Nov 19 2019, the terms and conditions of the proposal shall govern. Note that the Delivery and Title Transfer terms above differ from the GE / Riverside Agreement and are in the favor of the City.



Field Service – Scope of Work

Scope of supply	Field Services (Supervision and Labor)
Quotation basis	Time & Material

Section 1 – Executive overview – Field Service

Technical Advisory Services and, in general, Field Service Activities require a high level of commitment and preparation from an oil and gas Company. The enclosed documentation identifies the commitment of project and support personnel, delivery of the required technologies pertaining to BAKER HUGHES Industrial & Energy Technology, and our dedication to operational excellence.



Section 2 – Work Scope Description (“Scope of Work”) and FSE’s hourly rates – Field Service

2.1 Scope of work

Baker Hughes will provide Technical Advisory Services, labor and standard tooling to upgrade of Inlet Guide Vanes Actuator of GE10/1 Gas Turbine Axial Compressor* on the following units:

Tag	G.T. S/N	N.P. Job no.	G.T. Model	Driven Equipment	Control System
Springs Substation GT 1	G06560	1704663	GE10/1 DLN	Generator	Mark*VI SMX
Springs Substation GT 2	G06562	1704647	GE10/1 DLN	Generator	Mark*VI SMX
Springs Substation GT 3	G06563	1704648	GE10/1 DLN	Generator	Mark*VI SMX
Springs Substation GT 4	G06565	1704650	GE10/1 DLN	Generator	Mark*VI SMX

**Reference for the original scope of supply is BH proposal n. 2645793 Rev.2*

2.2 Main assumptions and exclusions

- The site is clear of hazardous materials.
- LOTO applied by Customer.
- Scaffolding provided and installed by Customer.
- This scope of work shall not require any changes to Interconnecting wiring. However, if modifications are required based on discovery or out of scope of work then BH will provide interconnecting wiring documentation relevant to changes. In which case, Interconnecting cables shall be supplied and laid down by Customer.
- This proposal assumes that the upgrades will be installed on the four units within the same outage.
- The estimated duration of the activities is 20 working days (4 weeks). This duration can be optimized based on the actual site conditions and operations
- Working time: 10 hours per day, 7 days per week, including weekends. The proposed schedule does not include standby time. Stand by time will only be applied due to stop work out of BH control.
- This proposal assumes that no Covid restrictions are in place.



2.3 Proposed resources

The Services will be provided by the following resources (for four units). NOTE – the rates below represent Baker Hughes rates to GE. GE will invoice at Vendor (Baker Hughes) invoice plus 10%:

Skill	Commercial description	QTY	Estimated working days*	STRAIGHT TIME Hourly Rate **	Overtime Hourly Rate**	DOUBLE TIME Hourly Rate**	Board & Lodging/ Day	Car Rental/ Day
Mech FSE	Lead Field Engineering Service	1	20	\$296	\$444	\$592	\$320	\$120
Control FSE	Specialty Service	1	20	\$428	\$642	\$856	\$320	\$120
Mech Fitter	Direct labor	2	20	\$163	\$244.50	\$326	Cost +30%	Cost +30%
E/I fitter	Direct labor	1	20	\$163	\$244.50	\$326	Cost +30%	Cost +30%
Standard tools + Loop check tools	TOOLS	1	20	\$1747/Day****				
DLN Tools	TOOLS	1	10	\$1163/Day****				
Consumables	TOOLS	-	-	\$3900 /Una tantum/per units				

*Based on Site Working Time assumption, see Section. 3.3.

** See section 6 and 8

For detailed information about single skills, please refer to Section 5.



Section 3. Preliminary Schedule and Fence Time – Field Service

- 3.1 CITY agrees to establish a tentative start date for the Services upon Contract award. CITY shall notify COMPANY of any changes in this start date. This notice is required by COMPANY within a reasonable time in order to schedule its personnel, in any case COMPANY requires a formal Purchase Order at least **120 calendar days** before start date for the Services. In case of personnel requests with notice shorter than **120 calendar days**, COMPANY will reserve to confirm personnel availability; the Parties will agree about the possible impact on timing and price, if any.
- 3.2 COMPANY, prior written notification, reserves the right to replace its personnel assigned to CITY and to supply a qualified replacement at COMPANY's expense (CV will be submitted upon request). An overlap will be arranged when this right is exercised at no cost for the CITY.
- 3.3 Assuming the following Site open time during the activities:
- 3.3.1 Site Working Time (if not specified differently for specific FSE Skill):
- i. *7 working days per week*
 - ii. *10 hours per day*
 - iii. *Single shift*
- To the extent permitted by applicable Labour Laws the COMPANY shall review open time based on the CITY / Purchaser's written request.
- CITY will have the right, during CONTRACT validity, to request in writing additional working hours provided by COMPANY. At the end of the job, timesheet will be prepared by COMPANY and signed by the Parties and will be used for invoice purpose. COMPANY personnel over time rates are reported in Section 6.
- a. The estimated duration of the Services is **20 working days** (7 working days per unit)
 - b. This estimation is based on COMPANY's experience and is not contractually binding.
- 3.4 This Proposal is STRICTLY CONDITIONAL upon Technical Advisor's availability at the date of the order receipt. In the event COMPANY's Technical advisors are not available for the Purchase Order request date, a new execution starting date will be agreed between CITY and COMPANY.



Section 4. City's Responsibilities – Field Service

CITY will render all necessary assistance to COMPANY's personnel at the Site, including the following matters at CITY's cost (except as may be provided in the Contract or otherwise agreed in writing):

SITE ACCESS AND MANAGEMENT

Assistance in the procurement of all necessary visas and travel documents for COMPANY personnel including sponsorship of all COMPANY personnel to obtain working visas as required by Law. In the event visa is needed, assistance may be required by GE Vernova or City of Riverside in the form of providing a letter or documentation describing the scope of work to be performed by SELLER Personnel. If Buyer is unable to provide assistance, then there could be delays affecting the start of the project, in which event, SELLER will not be responsible for any costs associated with delayed start of work.

CITY shall inform COMPANY about Site Passes procedures and timing. Site Passes procedures and timing are not included in the price.

- 4.1 CITY shall inform COMPANY about the HSE training required to operate at site and relevant timing needed to attend such training. HSE training time is not included in the price.
- 4.2 Designated representative(s) to be the single interface with COMPANY during the execution of the activities.
- 4.3 CITY shall permit/guarantee immediate access to CITY's warehousing and shop facilities to its designated representative for the project.
- 4.4 CITY shall make available all drawings, specifications, technical information and equipment manuals required to perform the work scope and all protective relaying and relay settings, as appropriate. And any possible documentation not included in COMPANY scope in case of need.
- 4.5 Access to lay down space next to the equipment upon which the Services will be performed.
- 4.6 All required C-Class parts and miscellaneous materials (e.g., bolts, nuts, gaskets, steel plates, consumables, lube oil, hydraulic oil, etc.). Not including OEM items related to the Gas Turbine, The Gas Turbine Package or Original supplied auxiliary skids.
- 4.7 Material and parts available on site (near the installation area, in perfect condition and properly preserved).
- 4.8 Availability of the special tools delivered together with the MACHINERY at the time of its supply.



PERSONNEL, TOOLING, UTILITIES & FACILITIES

- 4.9 Power supply, compressed air, water and all Site utilities in the amounts, pressures, and voltages required to perform the work scope, including adequate lighting for nightshift work if any.
- 4.10 All lifting and handling equipment.
- 4.11 Trolleys and trailers for material transportation within the workshop.
- 4.12 Climate-controlled and secure office adjacent to the work area at the Site, equipped with copy machines, office supplies and equipment and appropriate telecommunications (Telephone and Internet connection).
- 4.13 Toilet and changing rooms facilities.
- 4.14 Any labor, including labor supervision and equipment operators or OEM Specialists not included in the COMPANY's responsibilities according to Section 2 of this Proposal, as well any additional labor that may be required in connection with the Services and not included in the scope of work.

SAFETY & SECURITY

- 4.15 Inform, before the work starts, COMPANY employees or employees from other firms subcontracted by COMPANY about any risk for safety and health, and about the safety regulations and safety procedures in force in the plant.
Supply any required safety equipment which is not included in COMPANY standard outfit (helmet, safety shoes, gloves, safety glasses), such as Nomex coverall; breathing masks; H2S alert devices.
Ensure that all the safety and accident prevention regulations in force are observed by COMPANY employees and by employees from other firms subcontracted by COMPANY.
In case of illness or accidents of any kind, even outside working hours, CITY shall ensure COMPANY employees receive any necessary medical treatment. In the event the medical prognosis of any of COMPANY employees is longer than 3 days, COMPANY will have the right to replace it.
- 4.16 Adequate firefighting equipment and services and site security, meaning the act of safeguarding the job site against sabotage, theft, arson, or any other dishonest or criminal act by physical means, such as guards, fencing, and lighting. This includes the safeguarding of all COMPANY's tools, consumables, equipment and parts when provided.
- 4.17 Prior to COMPANY commencing any work at the Site, CITY shall be requested to
 - provide documentation that identifies any existing contamination of Site property and the presence of any Hazardous Materials in or about the Facility, and



- allow COMPANY, at its option, access to the Site and Facility to perform a Site evaluation including, without limitation, a review of applicable documents and visual examination of the Site and Facility and covered Units, provided, however, that the conduct or non-conduct of any such evaluation shall not give COMPANY any responsibility or liability respecting Site conditions. Responsibilities and liability respecting Site conditions shall be in accordance with the other provisions of this Proposal.

4.18 If, at the Site, COMPANY encounters toxic substances, hazardous substances or hazardous wastes (as such terms may be defined in any statute or ordinance or regulations promulgated by any federal, state or local governmental authority of the United States or the country of the Site - collectively, the "Hazardous Materials") which require special handling and/or disposal, CITY shall immediately take whatever precautions are required to legally eliminate such hazardous conditions so that the work under the Contract may safely proceed. CITY agrees to properly dispose of all wastes and Hazardous Materials produced or generated in the course of COMPANY's work at the Site.

CITY shall indemnify COMPANY for any and all claims, damages, losses, causes of action, demands, judgments and expenses arising out of or relating to

- the presence of any Hazardous Materials which are present on the Site prior to the commencement of COMPANY's work or
- improperly handled or disposed of by CITY or
- brought on to the Site or produced thereon by parties other than COMPANY.

4.19 CITY shall provide directly to collection, transport and disposal of any waste material including toxic substances, hazardous substances or hazardous wastes.

ADMINISTRATIVE

4.20 If CITY does not return the official receipts timely as prescribed by Section 13. "Taxes and Duties", CITY will indemnify COMPANY for an amount equal to that withheld.

4.21 CITY shall arrange for COMPANY to be covered under the Site property insurance policy and obtain from insurers waiver of subrogation towards the COMPANY.

Please check APPENDIX A – DIVISION OF RESPONSIBILITIES



Section 5. Description of Technical Advisory Services – Field Service.



Here below Technical Advisory Services description by skill:

Site Management Service: This Service includes all management activities, including: planning, organization, integration with CITY advice on site organization and monitoring of resources such as labor, supervisors, tools supplied either by COMPANY or CITY and technical assistants as required to complete the work scope.

Material Management Service: COMPANY, using CITY crew personnel, will perform 100% inventory and physical inspection of all project's materials upon arrival at the site. COMPANY will assure that all project material will be stored according CITY/COMPANY recommendations. COMPANY will assist CITY in the administration of the material control utilizing CITY crew personnel.

Site Planner. manages planning and networking of installation, pre-commissioning, commissioning and start up in planning software like MS Project or Primavera. Ensures safety and quality standards. Has specific capability of analysis that allows him to find solutions to problems. Monitors progress updates the schedules and the FSEs workload forecast. Works following lean/six-sigma methodologies in daily work.

QA/QC Manager. supports the Site Manager in the execution of the field activities and is responsible of fulfillment of contractual quality requirements in terms of Site QCP (Quality Control Plan) inspection, execution, documentation collection, in compliance with scope of supply working. QA/QC Manager ensures the application of quality system procedures such as documentation and reporting, quality certifications and records submission, equipment non-conformity, pre-fabrication & welding operations, installation activities, testing activities, pre-commissioning, inspections, audits to GE O&G subcontractors. QA/QC works following lean/six-sigma orientation in daily work approach.

HSE Specialist Service: provides technical advice, counsel and guidance concerning all aspects of Safety, Health and Environment related to service execution. HSE Specialist implements COMPANY HSE management system to Site taking in consideration CITY HSE procedures and Local Legal requirements, (sets up safety meeting, logs and maintains safety documents, manages all level PPE for COMPANY personnel). This skill is required when Service execution involves more than 10 (ten) resources provided by COMPANY.

Specialty Service: commissioning and start-up of activities, controls assistance and troubleshooting, gas turbine DLN tuning, site repairs, may include also the following: Generator, Laser Alignment, Emission analysis.



Diagnostic and Technology Service: Technical assistance or Professional witness of highly specialized personnel with deep technical background and expertise. This Service includes: complex trouble shooting, vibration analysis, emergent technology support, maintenance policy consultancy and optimization.

Lead Field Engineering Service: coordination as required if more than one field engineer is present at site during, installation, pre commissioning, commissioning and start-up, assembly, check-out and inspection, repair of equipment and systems; borescope inspection and site survey.

Field Engineering Service: This service provides technical advice, counsel and guidance on field services during inspection, maintenance; overhaul installation (building, pre-commissioning, commissioning and start-up) of the machinery, to the extent necessary during performance of work. It provides also technical advice, counsel and guidance during instruments removal, calibration & setting and laying of cables between JB and local panel. This service doesn't include monitoring / coordination of other resources provided by COMPANY or CITY nor planning/updating of Site activities.



Section 6. Technical Advisory Rates, Fees and Terms – Field Service



Chapter 6 Hourly Rates

The Services described herein, and any mutually agreed additional Services, shall be billed for each skill, based on the Straight Time rates listed in Section.2 "Work Scope Description", net of local taxes of any kind.

Chapter 7 Commercial Straight Time

Based on the first eight hours worked, Monday through Friday. A minimum of 8 hours will be billed for Monday through Friday at the straight time rate. If travel time is on Monday through Friday, only the actual travel time will be billed for this day regardless of the amount of hours.

Chapter 8 Commercial Overtime

Based on working over eight hours per day, Monday through Friday, and for all time on Saturday and Sunday will be invoiced at 1.5X the straight time rate.

DT (DOUBLE TIME)

Time for Company observed holidays and time exceeding 12 hours during a shift will be invoiced at twice the straight time rate.

Chapter 9 Stand by Time

The stand-by period is defined as the time for which COMPANY's personnel is on hold (i.e. not working) due to any reasons not under COMPANY control, such as:

- to obtain Site Pass
- to attend HSE training
- to obtain PTW's
- due to lack of plant utilities during the activities
- due to delay on milestones at CITY's care
- due to unavailability of site utilities, lifting equipment or materials handling.
- due to quarantine
- due to Security issues
- in case of Materials shortage, due to items damaged by CITY and reordered. (however, in the event the damage is due to COMPANY's instruction, COMPANY shall not be entitled to claim for any stand-by);
- in case of any interruption of Site activities not attributable to COMPANY except Force Majeure.

CITY will be charged according to the above hourly rates up to a maximum of 8 hours per day.



COMPANY will issue on Site a document reporting the stand-by hours (Timesheet example available on demand). CITY shall sign the document for acceptance and shall indicate on it any objection CITY may have. The signed document will be used for invoicing and COMPANY will not accept any objection relevant with days and stand-by hours once the document will be signed.

In the event of particularly long periods of inactivity on site, CITY may decide at its discretion to keep COMPANY employees on site and continue to pay COMPANY at the above mentioned hourly rates for each day they are away from Headquarter, or alternatively to arrange for them to return home, in which case CITY will be charged for their traveling expenses. When normal work resumes, COMPANY employees shall return to the site subject to prior agreement.

Chapter 10 Intermediate re-entry

The length of time COMPANY's employees remain on site shall comply with the Law and with agreed working schedule. COMPANY's employees will return home for rest at the end of this period.

- COMPANY's personnel will be entitled to return home for 21 days of rest, travel included, after a period of at most 60 calendar days on site.

Different Intermediate re-entry schedules can be agreed with CITY based on actual site conditions and HSE requirements.

Each Mobilization/Demobilization will be charged to CITY according to Section 7.1.

In the event of particularly long periods of inactivity on site, CITY may decide at its discretion to keep COMPANY employees on site and continue to pay COMPANY at the above mentioned hourly rates for each day they are away from Headquarters, or alternatively to arrange for them to return home, in which case CITY will be charged for their traveling expenses. When normal work resumes, COMPANY employees shall return to the site subject to prior agreement.

Early re-entry of COMPANY's employees before completing the work and in situations not covered by the above cases must be agreed beforehand.

Furthermore, COMPANY will reserve the right to replace its employees at COMPANY expense and at any time with others equally qualified.



6.1.1 For unscheduled interventions requested with a formal notice shorter than 5 calendar days, the presence of a technician cannot be guaranteed. In case the skill requested is made available by COMPANY, the hourly rates will be increased by (30%).



Section 7. Technical Advisory Other Expenses – Field Service.

Chapter 11 Board & Lodging & Local Transport

Board & Lodging

For board and lodging, City will be charged the rate of **320\$/day** for each day Company employees are away from headquarters, fully inclusive.

Local Transport

For the daily journey between the living quarters, place of work and restaurant a will be invoiced at **\$120/day** per day per vehicle used per day.

Chapter 12 Air Travel

The travel expenses for each round-trip air ticket shall be charged to CITY **at cost plus 20% for administration fee.**

COMPANY's employees will have right to business class air tickets. The transport expenses for tools, instruments, and technical documentation for the accomplishment of the work exceeding of the standard franchise, shall be invoiced by COMPANY at cost.

For the effective Travel Time CITY will be invoiced at the Straight Time rate, up to a maximum of **8 hours per day, for each day of travel.**



Section 8. Hired Manpower and Services – Field Service

Chapter 13 Direct Labor Other Expenses

Direct labor Board & Lodging, Local Transport, Air Travel, equipment or material for work execution, (other than mentioned in Section.2 "Work Scope Description") this service will be invoiced by COMPANY **at cost plus a surcharge of 30%** for administration fee. A copy of subcontractor's invoices will be sent to CITY together with the relevant invoices.

Chapter 14 Services performed by COMPANY's subcontractors.

If assembling, start-up or overhaul of the auxiliary equipment supplied by COMPANY requires the presence of skilled engineer from subcontracted firms, these services will be invoiced **at cost plus a surcharge of 30%** for administration fee.

A copy of the invoices from subcontractors will be sent to CITY together with the relevant invoices.

Section 9. TOOLS & SPECIAL EQUIPMENT RENTAL – Field Service

The Services described herein, and any mutually agreed additional Services, shall be billed for each rate listed in Section.2 "Work Scope Description", net of local taxes of any kind.



GE VERNOVA

Section 10. BUDGET PRICE – Field Service



Assuming duration of the Services as indicated Section 2 and according to rates and conditions of Sections 6, 7, 8 and 9, the estimated price of the Services (net of local taxes) is:

Budget Price for four units
\$440,305.80

NOTE – In all cases, GE will invoice the City at Vendor (Baker Hughes) Invoice Plus 10%

The price includes:

- Technical Advisory Services
- Labor (manpower)
- Standard toolbox and consumables
- Loop check instruments
- DLN mapping toolkit
- Mobilization and demobilization of personnel
- Board & Lodging
- Car rental

The price does not include:

- VAT and any kind of local Taxes
- HSE induction
- Lifting and handling equipment
- Site utilities
- Site facilities
- Any materials
- Waste disposal
- Anything not specifically mentioned above.

Essential Note: The budgetary price is given for estimation purposes only and it is not binding; the actual price of the SERVICE will be calculated upon the actual worked hours, according to the rates of Sections 2, 6, 7, 8, 9.

The above statement must be included in CITY's Purchase Order.



"Worked hours" means hours effectively worked by COMPANY's personnel (including Stand-by hours). For verification and acceptance of worked hours, COMPANY will issue on site a document reporting the effective worked hours (time sheets), CITY shall sign the document for acceptance and shall indicate on it any objection CITY may have. COMPANY will not accept any objection relevant with days and worked hours once the document will be signed.

Training on the job is excluded from the standard scope of work.

Should CITY decide to have an "on Site training" after the Service completion COMPANY personnel may remain on site and give practical counsels and technical guidance to the Operating Team that will manage the plant after the handover.

CITY shall notify COMPANY, in writing, this request at least 30 days in advance before COMPANY's personnel mobilization in order to schedule its personnel.

Hours spent in the "on Site Training" will be invoiced according to rates and fees stated in Section.2: the training doesn't include any classroom lessons and classroom material.

Section 11. Proposal Validity – Field Service

This Proposal is valid for a period of 160 Days from the date of this Proposal.

The Proposal is subject to the annexed General Terms and Conditions (See Appendix D) and the other terms set forth in this document. Any orders received after the expiration of this validity period will be subject to BAKER HUGHES's acceptance and may be subject to a revised commercial proposal, including but not limited to the revision of the price and delivery schedule.



Section 12. Terms of Payment – Field Service

COMPANY shall invoice CITY on a monthly as-incurred basis for Services rendered, plus mobilization and demobilization, intermediate re-entry, local travel and living fees and rental and expendable fees as applicable.

All invoices are due to payment at 30 days from invoice date.

For verification and acceptance of the worked hours, COMPANY will issue on site a document reporting the effective worked hours (Timesheet- See “- EXAMPLE OF TIMESHEET”). CITY shall sign the document for acceptance and shall indicate on it any objection CITY may have. The signed document will be used for invoicing and COMPANY will not accept any objection relevant with days and worked hours once the document will be signed.

Final Punch List shall be agreed between the parties and shall not prevent payment obligations as longer machine can operate. If punch list items will prevent machine to run, COMPANY is obliged to fix such items in order to assure the operability of the Unit in safe condition.

CITY shall release payment as soon as the Unit running condition is achieved.

The no-payment of the invoices within the requested time will allow COMPANY to suspend the service.



Section 13. TAXES – Field Service

Company shall be responsible for and shall pay when due and payable all Company Taxes, and City shall be responsible for and shall pay all City Taxes. The Contract Price does not include any City Taxes. Therefore, if any such taxes are applicable, they will be added to the Contract Price. For U.S. sales and use tax, and in other jurisdictions where applicable, City may report/remit sales or similar taxes directly if City timely provides a direct pay or exemption certificate to Company.

If the Applicable Laws require the Contract to be subject to stamp duty, fee, or registration, City shall be responsible for the required formalities and bear the related costs. City shall return to Company a copy of the registration certificate or a registered copy of the Contract within 10 days from the due date required by said Applicable Laws to register or pay for such stamp duty, fee, or registration. According to the Applicable Laws of the country in which City has requested Company to provide Services, Company may be required to be registered locally, in which case, Company shall perform the Services and invoice for them with the intervention of its relevant branch or permanent establishment.

If City is required to deduct or withhold any Company Taxes from the Contract Price, City shall (1) give at least 30 days' notice to Company that City will withhold, (2) make all reasonable efforts to minimize any withholding tax from payments to Company, in accordance with Applicable Laws and any applicable bilateral conventions against double taxation, and (3) provide to Company, within 30 days from payment, the official receipt issued by the competent government authority to which the Company Taxes have been paid, or an alternative document acceptable to the relevant tax authorities. If City requires tax residence certificates or other documentation from Company to apply for any exempted or reduced tax regime, Company shall submit the appropriate certificates upon City's written request. If City, under the Applicable Laws of any country other than Company's country of incorporation or in which Company has a branch, deducts or withholds Company Taxes or fails to comply with the requirements of this clause, City shall pay additional amounts to Company so that Company receives the full amount of the Contract Price, as though no such Company Taxes had been deducted or withheld.

If City benefits from any tax, fee or duty exemption which is applicable to Company or Company's Group, City agrees to provide Company, without charge and before the following as applicable: (1) entering into the Contract, (2) before invoicing, or (3) before any other relevant event, documentation acceptable to the competent tax authorities supporting the exemption, together with instructions on the exemption procedure. City shall promptly inform Company in writing about the revocation, expiry or other change of the exemption. If Company is denied the exemption because of a failure of City, Company shall be entitled to invoice and City shall pay promptly the applicable tax, fee or duty.



Section 14. ASSIGNMENT – Field Service

COMPANY shall have also the right to transfer, in whole or in part, by way of assignment or novation to any affiliated company its rights and/or obligations under this Contract. When this right will be exercised by COMPANY, COMPANY will notify CITY or any other contract assignee by BAKER HUGHES standard assignment letter.

Notwithstanding anything to the contrary, COMPANY shall always be entitled to assign any and all credits under the Purchase Order to an affiliated of Baker Hughes.

Note. The purpose of COMPANY credit assignment program is financial; COMPANY will still coordinate all collection activities (originating invoices) and maintain direct contacts with the CITY.

Security

If, in COMPANY's reasonable opinion, the safe execution of Services at the Site is, or is apt to be, imperiled by local conditions, including unsafe conditions at the ingress and egress to the Site, COMPANY may remove some or all of its personnel from the Site and/or suspend performance of all or any part of its Services and/or evacuate its personnel. In the event of an evacuation, CITY shall assist in said evacuation. Any of the foregoing shall be an Excusable Event.



Section 16. Terms and Conditions – Field Service

This Proposal is based on the terms stated herein and on the previously agreed to terms contained in the Products and/or Services Terms and Conditions for City of Riverside Nov 19 2019 (please see Attachment 3).

In the event of any conflict in the terms and conditions between this proposal and the Products and/or Services Terms and Conditions for City of Riverside Nov 19 2019, the terms and conditions of the proposal shall govern. Note that the Delivery and Title Transfer terms above differ from the GE / Riverside Agreement and are in the favor of the City.

Section 17. Effectiveness of the Purchase Order – Field Service

This Proposal will remain valid for 160 days and may be modified or withdrawn by Company prior to receipt of City's acceptance.

This Proposal is submitted in confidence for evaluation by City. Its contents are proprietary to Company. By taking receipt of this Proposal, City agrees not to reveal its contents in whole or in part beyond those persons in its own organization necessary to properly evaluate this Proposal or to perform any resulting contract. City shall not reveal the contents of this Proposal to a third party or make copies of this Proposal without the prior written consent of Company. City shall return this entire Proposal to the undersigned, if City does not accept this Proposal.

Purchase Order Issuance

Please issue your Purchase Order to:

GE Vernova Operations, LLC.
11330 Clay Rd
Houston, TX 77041
ATTN: Hector Guzman

Please email to: hector.guzman1@ge.com

Please issue your Purchase Order to this GE Legal Entity. Please also make reference to the proposal number 1677895_R2 as indicated on the cover page.



List of Appendices

ATTACHMENT 1 – DIVISION OF RESPONSIBILITIES

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on this _____ day of _____, 2024.

CITY OF RIVERSIDE, a California charter city and municipal corporation

GE VERNOVA OPERATIONS, LLC, a Delaware limited liability company authorized to do business in California

By: _____
Mike Futrell
City Manager

By: Skigh E. Lewis
Skigh E. Lewis (Sep 5, 2024 11:08 MDT)
Print Name: Skigh E. Lewis
Title: Commercial Director
(Signature of Board Chair, President, or Vice President)

Attest: _____
Donesia Gause
City Clerk

and

Certified as to Availability of Funds

By: _____
Print Name: _____
Title: _____
(Signature of Secretary, Assistant Secretary, CFO, Treasurer, or Assistant Treasurer)

By: [Signature]
Chief Financial Officer

APPROVED AS TO FORM:

By: [Signature]
Ruthann M. Salera
Sr. Deputy City Attorney

Products and/or Services Terms and Conditions for City of Riverside Nov 19 2019

NOTICE: Sale of any Products and/or Services is expressly conditioned on Buyer's assent to these Terms and Conditions. Any acceptance of Seller's offer is expressly limited to acceptance of these Terms and Conditions and Seller expressly objects to any additional or different terms proposed by Buyer. No facility entry form shall modify these Terms and Conditions even if signed by Seller's representative. Any order to perform work and Seller's performance of work shall constitute Buyer's assent to these Terms and Conditions. Unless otherwise specified in the quotation, Seller's quotation shall expire 30 days from its date and may be modified or withdrawn by Seller before receipt of Buyer's conforming acceptance.

1. Definitions

"Buyer" means the entity to which Seller is providing Products and/or Services under the Contract.

"Contract" means either the contract agreement signed by both parties, or the purchase order signed by Buyer and accepted by Seller in writing, for the sale of Products and/or Services, together with these Terms and Conditions, Seller's final quotation, the agreed scope(s) of work, and Seller's order acknowledgement. In the event of any conflict, the Terms and Conditions shall take precedence over other documents included in the Contract.

"Contract Price" means the agreed price stated in the Contract for the sale of Products and/or Services, including adjustments (if any) in accordance with the Contract.

"Derivative Works" means: (a) any work based upon one or more pre-existing works, such as a revision, enhancement, modification, translation, abridgement, condensation, expansion, extension or any other form in which such pre-existing works may be published, recast, transformed, or adapted, and that if prepared without the authorization of the owner of the copyright or other intellectual property right to such pre-existing works, would constitute an infringement of such copyright or other intellectual property right, and/or (b) any compilation that incorporates such pre-existing works.

"Hazardous Materials" means any toxic or hazardous substance, hazardous material, dangerous or hazardous waste, dangerous good, radioactive material, petroleum or petroleum-derived products or by-products, or any other chemical, substance, material or emission, that is regulated, listed or controlled pursuant to any national, state, provincial, or local law, statute, ordinance, directive, regulation or other legal requirement of the United States ("U.S.") or the country of the Site.

"Insolvent/Bankrupt" means that a party is insolvent, makes an assignment for the benefit of its creditors, has an administrator, receiver, liquidator or trustee appointed for it or any of its assets, or files or has filed against it a proceeding under any bankruptcy, insolvency dissolution or liquidation laws.

"Products" means the equipment, parts, materials, supplies, software, and other goods Seller has agreed to supply to Buyer under the Contract.

"Seller" means the entity providing Products or performing Services under the Contract.

"Services" means the services Seller has agreed to perform for Buyer under the Contract.

"Site" means the premises where Products are used or Services are performed, not including Seller's premises from which it performs Services.

"Terms and Conditions" means these "Products and/or Services Terms and Conditions", including any relevant addenda pursuant to Article 18, together with any modifications or additional provisions specifically stated in Seller's final quotation or specifically agreed upon by Seller in writing.

"USD" means United States Dollars.

2. Payment

2.1 Buyer shall pay Seller for the Products and/or Services by paying all invoiced amounts by direct bank transfer in the currency specified by Seller in the Contract, without deduction, withholding or set-off for any payment or claim, within thirty (30) days from the invoice date. If the Contract Price is less than two hundred fifty thousand USD (\$250,000), Seller shall issue invoices upon shipment of Products and as Services are performed. If the Contract Price is two hundred fifty thousand USD (\$250,000) or more, progress payments shall be invoiced starting with twenty-five percent (25%) of the Contract Price for Products and/or Services upon the earlier of Contract signature or issuance of Seller's order acknowledgement and continuing such that the Contract Price for remaining Services is invoiced as they are performed and ninety percent (90%) of the Contract Price for Products is received before the earliest scheduled Product shipment ("Progress Payments"). For each calendar month, or fraction thereof, that payment is late, Buyer shall pay a late payment charge computed at the rate of 1.5% per month on the overdue balance, or the maximum rate permitted by law if it is less. If the price is set by the Contract in a currency other than USD, references to USD in this Section 2.1 shall mean the equivalent amount in the applicable currency.

2.2 As and if requested by Seller, Buyer shall at its expense establish and keep in force payment security in the form of an irrevocable, unconditional, sight letter of credit or bank guarantee allowing for pro-rata payments as Products are shipped and Services are performed, plus payment of cancellation and termination charges, and all other amounts due from Buyer under the Contract ("Payment Security"). The Payment Security shall be (a) in a form, and issued or confirmed by a bank acceptable to Seller, (b) payable at the counters of such acceptable bank or negotiating bank, (c) opened at least sixty (60) days prior to both the earliest scheduled shipment of Products and commencement of Services, and (d) remain in effect until the latest of ninety (90) days after the last scheduled Product shipment, completion of all Services and Seller's receipt of the final payment required under the Contract. Buyer shall, at its expense, increase the amount(s), extend the validity period(s) and make other appropriate modifications to any Payment Security within ten (10) days of Seller's notification that such adjustment is necessary in connection with Buyer's obligations under the Contract.

2.3 Seller is not required to commence or continue its performance unless and until any required Payment Security is received, operative and in effect and all applicable Progress Payments have been received. For each day of delay in receiving any Progress Payments or acceptable Payment Security, Seller shall be entitled to an equitable extension of time to durations or periods of time (if any) expressly agreed

to by the Parties in the written schedule for performance and/or completion of the Services or any parts thereof. If at any time Seller reasonably determines that Buyer's financial condition or payment history does not justify continuation of Seller's performance, Seller shall be entitled to require full or partial payment in advance or otherwise restructure payments, request additional forms of Payment Security, suspend its performance or terminate the Contract.

3. Taxes and Duties

Seller shall be responsible for all corporate taxes measured by net income due to performance of or payment for work under this Contract ("Seller Taxes"). Buyer shall be responsible for all taxes, duties, fees, or other charges of any nature including, but not limited to, consumption, gross receipts, import, property, sales, stamp, turnover, use, or value-added taxes, and all items of withholding, deficiency, penalty, addition to tax, interest, or assessment related thereto, imposed by any governmental authority on Buyer or Seller or its subcontractors in relation to the Contract or the performance of or payment for work under the Contract other than Seller Taxes ("Buyer Taxes"). The Contract Price does not include the amount of any Buyer Taxes. If Buyer deducts or withholds Buyer Taxes, Buyer shall pay additional amounts so that Seller receives the full Contract Price without reduction for Buyer Taxes. Buyer shall provide to Seller, within one month of payment, official receipts from the applicable governmental authority for deducted or withheld taxes.

4. Deliveries; Title Transfer; Risk of Loss; Storage

4.1 For shipments that do not involve export, including shipments from one European Union ("EU") country to another EU country, Seller shall deliver Products to Buyer FCA Seller's facility or warehouse (Incoterms 2010). For export shipments, Seller shall deliver Products to Buyer FCA Port of Export (Incoterms 2010). Buyer shall pay all delivery costs and charges or pay Seller's standard shipping charges plus up to twenty-five (25%) percent. Partial deliveries are permitted. Seller may deliver Products in advance of the delivery schedule. If Products delivered do not correspond in quantity, type or price to those itemized in the shipping invoice or documentation, Buyer shall so notify Seller within ten (10) days after receipt.

4.2 For shipments that do not involve export, title to Products shall pass to Buyer upon delivery in accordance with Section 4.1. For export shipments from a Seller facility or warehouse outside the U.S., title shall pass to Buyer upon delivery in accordance with Section 4.1. For shipments from the U.S. to another country, title shall pass to Buyer immediately after each item departs from the territorial land, seas and overlying airspace of the U.S. The 1982 United Nations Convention of the law of the Sea shall apply to determine the U.S. territorial seas. For all other shipments, title to Products shall pass to Buyer the earlier of (i) the port of export immediately upon clearance of Products for export or (ii) immediately after each item departs from the territorial land, seas and overlying airspace of the sending country. When Buyer arranges the export or intercommunity shipment, Buyer will provide Seller evidence of exportation or intercommunity shipment acceptable to the relevant tax and custom authorities. Buyer may not use any third party vendor for providing customs clearance services until Seller has approved such party prior to shipment of the Parts. Notwithstanding the foregoing, Seller grants only a non-exclusive license, and does not pass title, for any software provided by Seller under this Contract, and title to any leased equipment remains with Seller.

4.3 Risk of loss shall pass to Buyer upon delivery pursuant to Section 4.1, except that for export shipments from the U.S., risk of loss shall transfer to Buyer upon title passage.

4.4 If any Products to be delivered under this Contract or if any Buyer equipment repaired at Seller's facilities cannot be shipped to or received by Buyer when ready due to any cause attributable to Buyer or its other contractors, Seller may ship the Products and equipment to a storage facility, including storage at the place of manufacture or repair, or to an agreed freight forwarder. If Seller places Products or equipment into storage, the following apply: (i) title and risk of loss immediately pass to Buyer, if they have not already passed, and delivery shall be deemed to have occurred; (ii) any amounts otherwise payable to Seller upon delivery or shipment shall be due; (iii) all expenses and charges incurred by Seller related to the storage shall be payable by Buyer upon submission of Seller's invoices; and (iv) when conditions permit and upon payment of all amounts due, Seller shall make Products and repaired equipment available to Buyer for delivery.

4.5 If repair Services are to be performed on Buyer's equipment at Seller's facility, Buyer shall be responsible for, and shall retain risk of loss of, such equipment at all times, except that Seller shall be responsible for damage to the equipment while at Seller's facility to the extent such damage is caused by Seller's negligence.

4.6 Except as otherwise expressly agreed to by the Parties in writing, acceptance of Products shall be deemed to occur upon delivery and acceptance of Services, upon performance.

5. Warranty

5.1 Seller warrants that Products shall be delivered free from defects in material, workmanship and title and that Services shall be performed in a competent, diligent manner in accordance with any mutually agreed specifications incorporated into the Contract.

5.2 The warranty for Products shall expire one (1) year from first use or eighteen (18) months from delivery, whichever occurs first, except that software is warranted for ninety (90) days from delivery; and the warranty for Services shall expire one (1) year after performance of the Service, except that software-related Services are warranted for ninety (90) days (as applicable, the "Warranty Period").

5.3 If Products and/or Services do not meet the above warranties, Buyer shall promptly notify Seller in writing prior to expiration of the applicable Warranty Period. Within seven (7) days of receipt by Seller of notice from Buyer specifying a potential warranty claim, Seller will give written notice to Buyer of when and how Seller will



correct and remedy the Defect and provide a schedule outlining timelines. Seller shall (i) at its option, promptly repair or replace defective Products and (ii) re-perform defective Services. Seller shall diligently pursue corrective action using commercial best efforts. If despite Seller's reasonable efforts, a non-conforming Product cannot be repaired or replaced, or non-conforming Services cannot be re-performed, Seller shall refund or credit monies paid by Buyer for such non-conforming Products and/or Services. Warranty repair, replacement or re-performance by Seller shall not extend or renew the applicable Warranty Period. Seller's warranty obligations exclude the repair or replacement of any damaged parts or Products other than the initially failing part which caused the damage. Buyer shall obtain Seller's agreement on the specifications of any tests it plans to conduct to determine whether a non-conformance exists.

5.4 Buyer shall bear the costs of access for Seller's remedial warranty efforts (including removal and replacement of systems, structures or other parts of Buyer's facility), de-installation, decontamination, re-installation and transportation of defective Products to Seller and back to Buyer.

5.5 The warranties and remedies are conditioned upon (a) proper storage, installation, use, operation, and maintenance of Products, (b) Buyer keeping accurate and complete records of operation and maintenance during the warranty period and providing Seller access to those records, and (c) modification or repair of Products and/or Services only as authorized by Seller in writing. Failure to meet any such conditions renders the warranty null and void. Seller is not responsible for normal wear and tear.

5.6 This Article 5 provides the exclusive remedies for all claims based upon the failure of or defect in Products or Services, whether the claim is based in contract, negligence, statute, or any tortious/extra-contractual liability theory, strict liability or otherwise. The foregoing warranties in this Article 5 are exclusive and are in lieu of all other warranties, conditions and guarantees whether written, oral, implied or statutory. NO IMPLIED OR STATUTORY WARRANTY, OR WARRANTY OR CONDITION OF MERCHANTABILITY, QUALITY OR FITNESS FOR A PARTICULAR PURPOSE APPLIES.

6. Confidentiality

6.1 Seller and Buyer (as to information disclosed, the "Disclosing Party") may each provide the other party (as to information received, the "Receiving Party") with Confidential Information in connection with this Contract. "Confidential Information" means information that is designated in writing as "confidential" or "proprietary" by Disclosing Party at the time of written disclosure. In addition, prices for Products and/or Services shall be considered Seller's Confidential Information.

6.2 Receiving Party agrees: (i) to use the Confidential Information only in connection with the Contract and use of Products and/or Services, (ii) to take reasonable measures to prevent disclosure of the Confidential Information to third parties, and (iii) not to disclose the Confidential Information to a competitor of Disclosing Party. Notwithstanding these restrictions, (a) Seller may disclose Confidential Information to its affiliates and subcontractors in connection with performance of the Contract, (b) a Receiving Party may disclose Confidential Information to its auditors, (c) Buyer may disclose Confidential Information to lenders as necessary for Buyer to secure or retain financing needed to perform its obligations under the Contract, and (d) a Receiving Party may disclose Confidential Information to any other third party with the prior written permission of Disclosing Party, and in each case, only so long as the Receiving Party obtains a non-disclosure commitment from any such subcontractors, auditors, lenders or other permitted third party that prohibits disclosure of the Confidential Information and provided further that the Receiving Party remains responsible for any unauthorized use or disclosure of the Confidential Information. Receiving Party shall upon request return to Disclosing Party or destroy all copies of Confidential Information except to the extent that a specific provision of the Contract entitles Receiving Party to retain an item of Confidential Information. Seller may also retain one archive copy of Buyer's Confidential Information.

6.3 The obligations under this Article 6 shall not apply to any portion of the Confidential Information that (i) is or becomes generally available to the public other than as a result of disclosure by Receiving Party, its representatives or its affiliates; (ii) is or becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party when the source is not, to the best of Receiving Party's knowledge, subject to a confidentiality obligation to Disclosing Party; (iii) is independently developed by Receiving Party, its representatives or affiliates, without reference to the Confidential Information; (iv) is required to be disclosed by law or valid legal process provided that the Receiving Party intending to make disclosure in response to such requirements or process shall promptly notify the Disclosing Party in advance of such disclosure and reasonably cooperate in attempts to maintain the confidentiality of the Confidential Information.

6.4 Each Disclosing Party warrants that it has the right to disclose the information that it discloses. Neither Buyer nor Seller shall make any public announcement about the Contract without prior written approval of the other party. Article 6 does not supersede any separate confidentiality or nondisclosure agreement signed by the parties.

7. Intellectual Property

7.1 Seller shall defend and indemnify Buyer against any claim by a non-affiliated third party (a "Claim") alleging that Products and/or Services furnished under this Contract infringe a patent in effect in the U.S., an EU member state or the country of the Site (provided there is a corresponding patent issued by the U.S. or an EU member state), or any copyright or trademark registered in the country of the Site, provided that Buyer (a) promptly notifies Seller in writing of the Claim, (b) makes no admission of liability and does not take any position adverse to Seller, (c) gives Seller sole authority to control defense and settlement of the Claim, and (d) provides Seller with full disclosure and reasonable assistance as required to defend the Claim.

7.2 Section 7.1 shall not apply and Seller shall have no obligation or liability with respect to any Claim based upon (a) Products and/or Services that have been modified, or revised, (b) the combination of any Products and/or Services with other products and/or services when such combination is a basis of the alleged infringement, (c) failure of Buyer to implement any update provided by Seller that would have prevented the Claim, (d) unauthorized use of Products and/or Services, or (e) Products and/or Services made or performed to Buyer's specifications.

7.3 Should any Product and/or Service, or any portion thereof, become the subject of a Claim, Seller may at its option (a) procure for Buyer the right to continue using the Product and/or Service, or applicable portion thereof, (b) modify or replace it in

whole or in part to make it non-infringing, or (c) failing (a) or (b), take back infringing Products and/or discontinue infringing Services and refund the price received by Seller attributable to the infringing Products and/or Services.

7.4 Article 7 states Seller's exclusive liability for intellectual property infringement by Products and/or Services.

7.5 Each party shall retain ownership of all Confidential Information and intellectual property it had prior to the Contract. All rights in and to software not expressly granted to Buyer are reserved by Seller. All new intellectual property conceived or created by Seller in the performance of this Contract, whether alone or with any contribution from Buyer, shall be owned exclusively by Seller. Buyer agrees to deliver assignment documentation as necessary to achieve that result.

7.6 Buyer will not itself, and will not allow any party (including Buyer Affiliates) to: (i) reverse engineer Products or Services (including any Seller monitoring or data analysis by Seller), (ii) prepare Derivative Works from, alter, modify, disassemble, reverse engineer, reverse assemble, de-compile, or otherwise attempt to reconstruct, discover or derive the object or source code of any software licensed to Buyer by Seller under this Contract (including any third party software); (iii) permit or otherwise grant any third-party access to Products, Services or software for such purpose, even if such third party is performing any corrections, bug fixes and updates.

7.7 Products furnished by Seller under this Contract shall not be installed, used, or made available for use in any equipment other than the equipment specified in the Contract at Buyer's Site. Buyer warrants that such equipment, and the Site, is under its ownership and control, and agrees to inform Seller forthwith should this cease to be the case at any time before expiry of the Warranty Period.

7.8 Buyer agrees to pass on the restrictions and obligations under Sections 7.6 and 7.7 to any affiliates or third parties who have obtained or may obtain access to the Products or Services and shall be fully liable for any breach of this Article 7 by its affiliates or third parties, as if it had committed such breach itself.

8. Indemnity

Each of Buyer and Seller (as an "Indemnifying Party") shall indemnify the other party (as an "Indemnified Party") from and against claims brought by a third party, an account of personal injury or damage to the third party's tangible property, to the extent caused by the negligence of the Indemnifying Party in connection with this Contract. In the event the injury or damage is caused by joint or concurrent negligence of Buyer and Seller, the loss or expense shall be borne by each party in proportion to its degree of negligence. For purposes of Seller's indemnity obligation, no part of the Products or Site is considered third party property.

9. Insurance

9.1 **General Provisions.** Prior to the Buyer's execution of this Agreement, Seller shall provide Certificates of Insurance of, and shall thereafter maintain during the term of this Agreement, such insurance policies and coverages in the types, limits, forms and ratings required herein.

9.1.1 **Limitations.** These amounts of coverage shall not constitute any limitation or cap on Seller's indemnification obligations.

9.1.2 **Ratings.** Any insurance policy or coverage provided by Seller or subcontractors as required by this Agreement shall be deemed inadequate and a material breach of this Agreement, unless such policy or coverage is issued by insurance companies authorized to transact insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher.

9.1.3 **Cancellation.** The policies shall not be canceled unless thirty (30) days' prior written notification of intended cancellation has been given to Buyer by certified or registered mail, postage prepaid.

9.1.4 **Adequacy.** The Buyer, its officers, employees and agents make no representation that the types or limits of insurance specified to be carried by Seller pursuant to this Agreement are adequate to protect Seller. If Seller believes that any required insurance coverage is inadequate, Seller may obtain such additional insurance coverage as Seller deems adequate, at Seller's sole expense.

9.2 **Workers' Compensation Insurance.** By executing this Agreement, Seller certifies that Seller is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. Seller shall carry the insurance or provide for self-insurance required by California law to protect said Seller from claims under the Workers' Compensation Act. Prior to Buyer's execution of this Agreement, Seller shall file with Buyer a certificate of insurance showing that such insurance is in effect, or that Seller is self-insured for such coverage. Any certificate filed with Buyer shall provide that Buyer will be given ten (10) days' prior written notice before modification or cancellation thereof.

9.3 **Commercial General Liability and Automobile Insurance.** Seller shall maintain during the term of this Agreement, commercial general liability insurance and automobile liability insurance as required to insure Seller against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by or on behalf of Seller. The Buyer, and its officers, employees and agents, shall be named as additional insureds under the Seller's insurance policies, but only to the extent of Contractor's indemnification obligations for third party damages as stated under this Agreement.

9.3.1 Seller's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount of



\$1,000,000 per occurrence and a general aggregate limit in the amount of \$2,000,000.

9.3.2 Seller's automobile liability policy shall cover both bodily injury and property damage in an amount of \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Seller's automobile and/or commercial general liability insurance policies shall cover all vehicles used by Seller in connection with Seller's performance of this Agreement, which vehicles shall include, but are not limited to, Seller owned vehicles, Seller leased vehicles, non-Seller owned vehicles and hired vehicles.

9.3.3 Prior to Buyer's execution of this Agreement, original certificates evidencing the coverage required by this Agreement, for both commercial general and automobile liability insurance, shall be filed with Buyer and shall include the Buyer and its officers, employees and agents, as additional insureds, but only to the extent of Contractor's indemnification obligations for third party damages as stated under this Agreement. Said policies shall be in the usual form of commercial general and automobile liability insurance policies, but shall include the following provisions:

It is agreed that the City of Riverside, and its officers, employees and agents, are added as additional insureds under this policy, but only to the extent required by the underlying written contract with the Named Insured that is in place prior to an "occurrence" giving rise to a loss.

9.3.4 The insurance policy or policies shall also comply with the following provisions:

- a. The policy shall be endorsed to waive any right of subrogation against the Buyer and its sub-Seller, employees, officers and agents to the extent they are an additional insured.
- b. Not used.
- c. The policy shall specify that the insurance provided by Seller will be considered primary and not contributory to any other insurance available to the Buyer and Endorsement No. CG 20010413 shall be provided to the Buyer to the extent they are an additional insured.

9.4 Not used.

9.5 **Subcontractors' Insurance.** Seller shall require all of its subcontractors to carry insurance, in an amount sufficient to cover the risk of injury, damage or loss that may be caused by the subcontractors' scope of work and activities provided in furtherance of this Agreement, including, but without limitation, the following coverages: Workers Compensation, Commercial General Liability, and Automobile liability. Upon Buyer's request, Seller shall provide Buyer with satisfactory evidence that Subcontractors have obtained insurance policies and coverages required by this section.

10. Schedule and Excusable Events

10.1 Any durations or periods of time quoted on the schedule or otherwise agreed for performance, delivery and/or completion of the Services or delivery of Products shall be regarded as estimated only. In addition, delivery times are dependent upon prompt receipt by Seller of all information necessary to proceed with the work without interruption. In the event Seller agrees in writing to guaranteed performance, delivery and/or completion times and specific sums as liquidated damages for late performance, delivery or completion, any such liability for damages shall only commence when the period of delay exceeds the guaranteed date or time by 14 (fourteen) calendar days and liquidated damages may be applied and be levied only from that 14th day onwards. Payment of liquidated damages shall be in full and final settlement of any and all liability of the Seller for delays under the Contract and shall be Buyer's sole and exclusive remedy for failing to achieve the performance, delivery and/or completion guarantee. The Seller's maximum aggregate liability for liquidated damages for delay shall in no circumstances exceed 5% (five per cent) of the total amount of the Contract Price paid to the Seller.

10.2 Seller shall not be liable and shall not be considered in breach of any obligations to supply manpower, deliver Products or to perform, deliver or complete the Services or any parts thereof within specified durations or periods or by a specified time if it is delayed or prevented, directly or indirectly, by any cause beyond its reasonable control, or by armed conflict, acts or threats of terrorism, epidemics, strikes or other labor disturbances, or acts or omissions of any governmental authority or of the Buyer or Buyer's contractors or suppliers or for any period of suspension under Section 11.3. If any such cause or excusable event occurs, the schedule for Seller's performance shall be adjusted accordingly and dates or times stated in the schedule for performance and/or completion of the Services shall be extended by the amount of time lost by reason of the event plus such additional time as may be needed to overcome the effect of the event. If acts or omissions of the Buyer or its contractors or suppliers cause the delay, Seller shall also be entitled to an equitable price adjustment.

11. Termination and Suspension

11.1 Buyer may terminate the Contract (or the portion affected) for cause if Seller (i) becomes Insolvent/Bankrupt, or (ii) commits a material breach of the Contract which does not otherwise have a specified contractual remedy, provided that: (a) Buyer shall first provide Seller with detailed written notice of the breach and of Buyer's intention to terminate the Contract, and (b) Seller shall have failed, within 30 days after receipt of the notice, to commence and diligently pursue cure of the breach.

11.2 If Buyer terminates the Contract pursuant to Section 11.1, (i) Seller shall reimburse Buyer the difference between that portion of the Contract Price allocable

to the terminated scope and the actual amounts reasonably incurred by Buyer to complete that scope, and (ii) Buyer shall pay to Seller (a) the portion of the Contract Price allocable to Products and/or Services completed, (b) lease fees incurred, and (c) amounts for Services performed before the effective date of termination. The amount due for Services shall be determined in accordance with the milestone schedule (for completed milestones) and rates set forth in the Contract (for work toward milestones not yet achieved and where there is no milestone schedule), as applicable or, where there are no milestones and/or rates in the Contract, at Seller's then-current standard time and material rates.

11.3 Seller may suspend or terminate the Contract (or any affected portion thereof) immediately for cause if Buyer (i) becomes Insolvent/Bankrupt, or (ii) materially breaches the Contract, including, but not limited to, failure or delay in Buyer providing Payment Security, making any payment when due, or fulfilling any payment conditions.

11.4 If the Contract (or any portion thereof) is terminated for any reason other than Seller's default under Section 11.1, Buyer shall pay Seller for all Products completed, lease fees incurred and Services performed before the effective date of termination, plus expenses reasonably incurred by Seller in connection with the termination. The amount due for Services shall be determined in accordance with the milestone schedule (for completed milestones) and rates set forth in the Contract (for work toward milestones not yet achieved and where there is no milestone schedule), as applicable or, where there are no milestones and/or rates in the Contract, at Seller's then-current standard time and material rates. In addition, Buyer shall pay Seller a cancellation charge equal to 80% of the Contract Price applicable to uncompleted made-to-order Products and/or Services and 15% of the Contract Price applicable to all other uncompleted Products and/or Services.

11.5 Either Buyer or Seller may terminate the Contract (or the portion affected) upon twenty (20) days advance notice if there is an excusable event (as described in Article 10) lasting longer than one hundred and twenty (120) days. In such case, Buyer shall pay to Seller amounts payable under Section 11.4, excluding the cancellation charge for uncompleted Products and/or Services.

11.6 Buyer shall pay all reasonable expenses incurred by Seller in connection with a suspension, including, but not limited to, expenses for repossession, fee collection, demobilization/remobilization, and costs of storage during suspension. The schedule for Seller's obligations shall be extended for a period of time reasonably necessary to overcome the effects of any suspension.

12. Compliance with Laws, Codes and Standards

12.1 Seller shall comply with laws applicable to the manufacture of Products and its performance of Services. Buyer shall comply with laws applicable to the application, operation, use and disposal of the Products and Services.

12.2 Seller's obligations are conditioned upon Buyer's compliance with all U.S., EU and other applicable trade control laws and regulations. Buyer shall not trans-ship, re-export, divert or direct or otherwise make or allow any disposition of Products other than in and to the ultimate country of destination declared by Buyer and specified as the country of ultimate destination on Seller's invoice. Buyer hereby certifies that the equipment, materials, services, technical data, software or other information or assistance furnished by Seller under this Contract will not be used in the design, development, production, stockpiling or use of chemical, biological, or nuclear weapons either by Buyer or by any entity acting on Buyer's behalf.

12.3 Notwithstanding any other provision, Buyer shall timely obtain, effectuate and maintain in force any required permit, license, exemption, filing, registration and other authorization, including but not limited to, building and environmental permits, import licenses, environmental impact assessments, and foreign exchange authorizations, required for the lawful performance of Services at the Site or fulfillment of Buyer's obligations, except that Seller shall obtain any license or registration necessary for Seller to generally conduct business and visas or work permits, if any, necessary for Seller's personnel. Buyer shall provide reasonable assistance to Seller in obtaining such visas and work permits.

13. Environmental, Health and Safety Matters

13.1 Buyer shall maintain safe working conditions at the Site, including, without limitation, implementing appropriate procedures regarding Hazardous Materials, confined space entry, and energization and de-energization of power systems (electrical, mechanical and hydraulic) using safe and effective lock-out/tag-out ("LOTO") procedures including physical LOTO or a mutually agreed upon alternative method.

13.2 Buyer shall timely advise Seller in writing of all applicable Site-specific health, safety, security and environmental requirements and procedures. Without limiting Buyer's responsibilities under Article 13, Seller has the right but not the obligation to, from time to time, review and inspect applicable health, safety, security and environmental documentation, procedures and conditions at the Site.

13.3 If, in Seller's reasonable opinion, the health, safety, or security of personnel or the Site is, or is apt to be, imperiled by security risks, terrorist acts or threats, the presence of or threat of exposure to Hazardous Materials, or unsafe working conditions, Seller may, in addition to other rights or remedies available to it, evacuate some or all of its personnel from Site, suspend performance of all or any part of the Contract, and/or remotely perform or supervise work. Any such occurrence shall be considered an excusable event. Buyer shall reasonably assist in any such evacuation.

13.4 Operation of Buyer's equipment is the responsibility of Buyer. Buyer shall not require or permit Seller's personnel to operate Buyer's equipment at Site.

13.5 Buyer will make its Site medical facilities and resources available to Seller personnel who need medical attention.

13.6 Seller has no responsibility or liability for the pre-existing condition of Buyer's equipment or the Site. Prior to Seller starting any work at Site, Buyer will provide documentation that identifies the presence and condition of any Hazardous Materials existing in or about Buyer's equipment or the Site that Seller may encounter while performing under this Contract. Buyer shall disclose to Seller industrial hygiene and environmental monitoring data regarding conditions that may affect Seller's work or personnel at the Site. Buyer shall keep Seller informed of changes in any such conditions.

13.7 Seller shall notify Buyer if Seller becomes aware of: (i) conditions at the Site differing materially from those disclosed by Buyer, or (ii) previously unknown physical conditions at Site differing materially from those ordinarily encountered and



generally recognized as inherent in work of the character provided for in the Contract. If any such conditions cause an increase in Seller's cost of, or the time required for, performance of any part of the work under the Contract, an equitable adjustment in price and schedule shall be made.

13.8 If Seller encounters Hazardous Materials in Buyer's equipment or at the Site that require special handling or disposal, Seller is not obligated to continue work affected by the hazardous conditions. In such an event, Buyer shall eliminate the hazardous conditions in accordance with applicable laws and regulations so that Seller's work under the Contract may safely proceed, and Seller shall be entitled to an equitable adjustment of the price and schedule to compensate for any increase in Seller's cost of, or time required for, performance of any part of the work. Buyer shall properly store, transport and dispose of all Hazardous Materials introduced, produced or generated in the course of Seller's work at the Site.

13.9 Buyer shall indemnify Seller for any and all claims, damages, losses, and expenses arising out of or relating to any Hazardous Materials which are or were (i) present in or about Buyer's equipment or the Site prior to the commencement of Seller's work, (ii) improperly handled or disposed of by Buyer or Buyer's employees, agents, contractors or subcontractors, or (iii) brought, generated, produced or released on Site by parties other than Seller.

14. Changes

14.1 Each party may at any time propose changes in the schedule or scope of Products and/or Services. Seller is not obligated to proceed with any change until both parties agree upon such change in writing. The written change documentation will describe the changes in scope and schedule, and the resulting changes in price and other provisions, as agreed.

14.2 The scope, Contract Price, schedule, and other provisions will be equitably adjusted to reflect additional costs or obligations incurred by Seller resulting from a change, after Seller's proposal date, in Buyer's Site-specific requirements or procedures, or in industry specifications, codes, standards, applicable laws or regulations. Unless otherwise agreed by the parties, pricing for additional work arising from such changes shall be at Seller's time and material rates.

14.3 It shall be acceptable and not considered a change if Seller delivers a Product that bears a different, superseding or new part or version number compared to the part or version number listed in the Contract.

15. Limitations of Liability

15.1 Except for claims of personal injury or property damage from a third party to the maximum extent permitted by applicable law, the total liability of Seller for all claims arising from or related to the formation, performance or breach of this Contract, or provision of any Products and/or Services, shall not exceed the (i) Contract Price, or (ii) if Buyer places multiple order(s) under the Contract, the price of each particular order for all claims arising from or related to that order and ten thousand USD (US \$10,000) for all claims not part of any particular order.

15.2 Seller shall not be liable for loss of profit or revenues, loss of use of equipment or systems, interruption of business, cost of replacement power, cost of capital, downtime costs, increased operating costs, any special, consequential, incidental, indirect, or punitive damages, or claims of Buyer's customers for any of the foregoing types of damages.

15.3 All Seller liability shall end upon expiration of the applicable warranty period, provided that Buyer may continue to enforce a claim for which it has given notice prior to that date by commencing an action or arbitration, as applicable under this Contract, before expiration of any statute of limitations or other legal time limitation but in no event later than one year after expiration of such warranty period.

15.4 Seller shall not be liable for advice or assistance that is not required for the work scope under this Contract.

15.5 Buyer will not supply Products and/or Services to any third party, or use Products and/or Services other than at the Site owned by Buyer. In case of non-compliance, Buyer shall (i) indemnify and defend Seller from and against any and all claims by, and liability to, any third party to whom Products and/or Services are supplied, and (ii) require that the third party agree, for the benefit of and enforceable by Seller, to be bound by the provisions of Article 7 and all the limitations included in this Article 15.

15.6 For purposes of this Article 15, the term "Seller" means Seller, its affiliates, subcontractors and suppliers of any tier, and their respective employees. The limitations in this Article 15 shall apply regardless of whether a claim is based in contract, negligence, statute, indemnity, tortious/extra-contractual liability theory, strict liability or otherwise.

16. Governing Law and Dispute Resolution

16.1 This Contract shall be governed by and construed in accordance with the laws of (i) the State of California if Buyer's place of business is in the U.S. or (ii) England and Wales, if the Buyer's place of business is outside the U.S., in either case without giving effect to any choice of law rules that would cause the application of laws of any other jurisdiction (the "Governing Law").

16.2 All disputes and, to the maximum extent permitted by applicable law, all non-contractual obligations arising in any way whatsoever out of or in connection with this Contract arising in connection with this Contract, including any question regarding its existence or validity, shall be resolved in accordance with this Article 16. If a dispute is not resolved by negotiations, either party may, by giving written notice, refer the dispute to a meeting of appropriate higher management, to be held within twenty (20) business days after the giving of notice. If the dispute is not resolved within thirty (30) business days after the giving of notice, or such later date as may be mutually agreed, either party may commence arbitration or court proceedings, depending upon the location of the Buyer, in accordance with one of the following:

(a) if the Buyer's pertinent place of business is in the U.S., legal action shall be commenced in federal court with jurisdiction applicable to, or state court located in, either appropriate state court of Riverside County, California (and Buyer hereby consents to be subject to such California federal and state jurisdiction) or the location of Buyer's principal place of business; or

(b) if the Buyer's pertinent place of business is outside the U.S., the dispute shall be submitted to and finally resolved under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules (the "Rules"). The seat of arbitration shall be in London, England. The

arbitration shall be conducted in English. The decision of the arbitrators shall be final and binding upon the parties.

16.3 Notwithstanding the foregoing, each party shall have the right at any time, at its option and where legally available, to commence an action or proceeding in a court of competent jurisdiction, subject to the terms of this Contract, to seek a restraining order, injunction, or similar order (but not monetary damages), or to seek interim or conservatory measures.

17. Inspection and Factory Tests

Seller will apply its normal quality control procedures in manufacturing Products. Seller shall attempt to accommodate requests by Buyer to witness Seller's factory tests of Products, subject to appropriate access restrictions, if such witnessing can be arranged without delaying the work.

18. Software, Leased Equipment, Remote Diagnostic Services, PCB Services

If Seller provides any software to Buyer, the Software License Addendum shall apply. If Seller leases any of Seller's equipment or provides related Services to Buyer, including placing Seller's equipment at Buyer's site to provide remote Services, the Lease Addendum shall apply. If Seller provides remote diagnostic services to Buyer, the Remote Diagnostic Services Addendum shall apply. If Seller provides PCB Services to Buyer, the PCB Services Addendum shall apply. If there is any conflict between these Products and/or Services Terms and Conditions and the terms of any addendum incorporated pursuant to this Article 18, the terms of the addendum shall take precedence with respect to the applicable scope.

19. General Clauses

19.1 Products and Services sold by Seller are not intended, in whole or in part, for application (and will not be used) in connection with or nearby any nuclear facility or activity, and Buyer warrants that it shall not use or permit others to use Products and/or Services for any such purposes, without the advance written consent of Seller.

19.2 Seller may assign or novate its rights and obligations under the Contract, in whole or in part, to any of its affiliates or may assign any of its accounts receivable under this Contract to any party without Buyer's consent. Buyer agrees to execute any documents that may be necessary to complete Seller's assignment or novation. Seller may subcontract portions of the work, so long as Seller remains responsible for it. The delegation or assignment by Buyer of any or all of its rights or obligations under the Contract without Seller's prior written consent (which consent shall not be unreasonably withheld) shall be void.

19.3 Buyer shall notify Seller immediately upon any change in ownership of more than fifty percent (50%) of Buyer's voting rights or of any controlling interest in Buyer. If Buyer fails to do so or Seller objects to the change, Seller may (a) terminate the Contract, (b) require Buyer to provide adequate assurance of performance (including but not limited to payment), and/or (c) put in place special controls regarding Seller's Confidential Information.

19.4 If any Contract provision is found to be void or unenforceable, the remainder of the Contract shall not be affected. The parties will endeavor to replace any such void or unenforceable provision with a new provision that achieves substantially the same practical and economic effect and is valid and enforceable.

19.5 The following Articles shall survive termination or cancellation of the Contract: 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 15, 16, 18, 19 and 20.

19.6 The Contract represents the entire agreement between the parties. No oral or written representation or warranty not contained in this Contract shall be binding on either party. Buyer's and Seller's rights, remedies and obligations arising from or related to Products and/or Services sold under this Contract are limited to the rights, remedies and obligations stated in this Contract. No modification, amendment, rescission or waiver shall be binding on either party unless agreed in writing.

19.7 Except as provided in Article 15 (Limitations of Liability), this Contract is only for the benefit of the parties and not for any third parties.

19.8 This Contract may be signed in multiple counterparts that together shall constitute one agreement.

20. U.S. Government Contracts

20.1 This Article 20 applies only if the Contract is for the direct or indirect sale to any agency of the U.S. government and/or is funded in whole or in part by any agency of the U.S. government.

20.2 Buyer agrees that all Products and/or Services provided by Seller meet the definition of "commercial-off-the-shelf" ("COTS") or "commercial item" as those terms are defined in Federal Acquisition Regulation ("FAR") 2.101. To the extent the Buy American Act, Trade Agreements Act, or other domestic preference requirements are applicable to this Contract, the country of origin of Products is unknown unless otherwise specifically stated by Seller in this Contract. Buyer agrees any Services offered by Seller are exempt from the Service Contract Act of 1965 (FAR 52.222-4). Buyer represents and agrees that this Contract is not funded in whole or in part by American Recovery Reinvestment Act funds unless otherwise specifically stated in the Contract. The version of any applicable FAR clause listed in this Article 20 shall be the one in effect on the effective date of this Contract.

20.3 If Buyer is an agency of the U.S. Government, then as permitted by FAR 12.302, Buyer agrees that all paragraphs of FAR 52.212-4 (except those listed in 12.302(b)) are replaced with these Terms and Conditions. Buyer further agrees the subparagraphs of FAR 52.212-5 apply only to the extent applicable for sale of COTS and/or commercial items and as appropriate for the Contract Price.

20.4 If Buyer is procuring the Products and/or Services as a contractor, or subcontractor at any tier, on behalf of any agency of the U.S. Government, then Buyer agrees that FAR 52.212-5(e) or 52.244-6 (whichever is applicable) applies only to the extent applicable for sale of COTS and/or commercial items and as appropriate for the Contract Price.

