

Johnson Controls Standard Terms and Conditions of Sale

1. Definitions:

In these conditions, "JOHNSON CONTROLS" shall mean the applicable Johnson Controls entity named in the agreement, quotation or order, or Order Acceptance (as defined in Clause 2 hereof), as appropriate, or any affiliate thereof, and, for the avoidance of doubt, this shall include the various York entities. "The Buyer" shall mean the person, firm or company named in the agreement, quotation or Purchase Order (as defined in Clause 2 hereof), or Order Acceptance (as defined in Clause 2 hereof), as appropriate, with whom any contract is named. "Equipment" and "Services" shall mean respectively the goods or services or any part thereof agreed to be sold as described within the Purchase Order or Order Acknowledgement, which shall include both JOHNSON CONTROLS and third party goods and services .

2. Binding Contract:

- a) Unless previously withdrawn, quotations and tenders are open to acceptance for the period stated therein or, if no period stated, within thirty (30) days from the date thereof. Orders placed with JOHNSON CONTROLS that are not comprised of a JOHNSON CONTROLS purchase order ("Purchase Order") signed by both parties require express written JOHNSON CONTROLS final acceptance before any contract arises ("Order Acceptance"). All JOHNSON CONTROLS Purchase Orders and Order Acceptance shall be subject to these Standard Terms and Conditions of Sale, together with any special conditions endorsed as above on the face of the JOHNSON CONTROLS quotation, Purchase Order or Order Acceptance, which is the only basis upon which JOHNSON CONTROLS do business and shall prevail notwithstanding any printed or other conditions contained in any purchase orders, or Buyer's acceptances or otherwise brought to JOHNSON CONTROLS notice. No other document, including but not limited to purchase order, Buyer's General Terms and Conditions of Supply, Letter of Intent, Memorandum of Understanding, Letter of Credit, etc. shall alter, vary, supersede or operate as a waiver of these Standard Terms and Conditions of Sale or any other conditions of the contract.
- b) Any typographical or clerical error or omission in any sales literature, quotation, price list, acceptance of offer, invoice or other document or information issued by JOHNSON CONTROLS shall be subject to correction without any liability on the part of JOHNSON CONTROLS.
- c) The Buyer shall be responsible to JOHNSON CONTROLS for ensuring the accuracy of the terms of any order (including any applicable specification) submitted by the Buyer and for giving JOHNSON CONTROLS any necessary information relating to the equipment within a sufficient time to enable JOHNSON CONTROLS to perform the contract in accordance with its terms.

3. Price:

- a) All prices are quoted in USD unless otherwise specified in the Order Acceptance.
- b) The prices are on an "Ex-works" (otherwise known as "EXW") basis in accordance with ICC Incoterms 2000, unless stated otherwise in the Purchase Order or Order Acceptance.
- c) The prices quoted do not include any taxes, tariffs, duties or other local, national government or GCC levies (collectively "Levies") which may now or hereafter be applicable to, measured by, or imposed upon this transaction, the Equipment or the Services unless specifically started on the face of the Purchase Order or Order Acceptance. To the extent that goods and services provided by JOHNSON CONTROLS under the contract are, or may be subject to, such Levies, the contract prices will be

increased by the gross amount of the Levies chargeable thereupon. For the avoidance of doubt, the Buyer is responsible for payment of all such Levies.

4. Shipment and Delivery:

- a) Time – dates for delivery are given in good faith and as accurately as possible, but are not guaranteed. Time shall not be deemed to be of the essence.
- b) Delay – JOHNSON CONTROLS shall be under no liability for damages for delay, however arising. In particular, but not limited to, JOHNSON CONTROLS shall bear no liability to damages where delay has occurred as a consequence of force majeure (Clause 9) or where delay has caused no actual direct loss to the Buyer.
- c) Partial Delivery – JOHNSON CONTROLS shall have the right to dispatch any portion of the Equipment and/or Services ordered and shall be entitled to invoice the Buyer for such dispatched portion separately. JOHNSON CONTROLS shall also have the right to treat each delivery as a separate contract and failure by JOHNSON CONTROLS to deliver any one or more of the installments or any claim by the Buyer in respect of any one or more installments shall not entitle the Buyer to treat the contract as a whole as repudiated.
- d) Unless otherwise specified in a quotation, Purchase Order or Order Acknowledgement, the right to possession and risk of loss, destruction and damage to Equipment shall pass from JOHNSON CONTROLS onto the Buyer from the moment of delivery in accordance with the stated INCO terms basis of delivery and the Equipment will be deemed accepted upon such delivery. For the avoidance of doubt, legal title shall remain with JOHNSON CONTROLS until one hundred per cent (100%) of the price has been satisfactorily received by JOHNSON CONTROLS.
- e) Transshipments are allowed.
- f) Should the Buyer fail to accept the delivery on an agreed date as shown on the Order Acknowledgement, JOHNSON CONTROLS will keep the Equipment in storage for a reasonable amount of time but in any case not exceeding thirty (30) days. Upon the expiration of this period JOHNSON CONTROLS will be entitled at its own discretion to invoice the Buyer for the full value of the stored equipment alongside with any incremental costs that JOHNSON CONTROLS may incur and request payment of the total amounts, or cancel the contract and claim cancellation fees (see Clause g)).
- g) In the event the Buyer cancels this contract, JOHNSON CONTROLS reserves the right of first refusal to title and possession. In case JOHNSON CONTROLS accepts to cancel the contract due to the Buyer's failure to accept delivery or any other reason, the Buyer agrees to pay:

(1) For "Standard equipment"

(i) If notice of cancellation is given before JOHNSON CONTROLS submit to the factory the order for manufacture, a minimum charge of twenty five (25) percent of the Equipment selling price.

(ii) If notice of cancellation is given after JOHNSON CONTROLS submit to the factory the order for manufacture, a minimum charge of [X/Y multiplied by 110% (one hundred & ten percent)] of the Equipment selling price, where X = number of weeks from the date JOHNSON CONTROLS submit the order for manufacture up to the date of receipt of the cancellation notice, and Y = number of weeks between the date JOHNSON CONTROLS submit the order for manufacture and the scheduled delivery of the Equipment. In any event the cancellation charges shall not be less than 25% and not exceed the Equipment selling price.

(2) For "Non-standard equipment"

- If notice of cancellation is given after JOHNSON CONTROLS submit to the factory the order for manufacture, a minimum charge of one hundred percent (100%) of the Equipment selling price, irrespective of whether the Equipment is partially or fully manufactured.

Non-standard Equipment shall mean Equipment that is modified, altered or customized in any manner either at the specific request of the Buyer or to enable fulfillment of the Buyer's specific purposes. The decision as to whether Equipment is Standard or Non-standard shall be at the sole discretion of JOHNSON CONTROLS based on this criteria, JOHNSON CONTROLS to act reasonably at all times.

- h) JOHNSON CONTROLS and the Buyer hereby acknowledge that the cancellation charges do not constitute penalties but a mutually and irrevocably agreed compensation. JOHNSON CONTROLS and the Buyer hereby irrevocably accept and agree that the cancellation charges calculated in accordance with the provisions of this clause shall be final, binding and enforceable on JOHNSON CONTROLS and the Buyer and may not be subject to any contestation before any authority or court of law. JOHNSON CONTROLS and the Buyer hereby irrevocably waive all rights to request any competent court or other authority to increase or reduce the cancellation charges.

5. Terms of Payment:

- a) Payment shall be made as shown on the face of the Purchase Order or Order Acknowledgement. In case of payment through a letter of credit (LC): the bank issuing or confirming the LC should be a first class international bank acceptable to Johnson Controls. The confirming costs will be borne by the applicant of the LC.
- b) All payments shall be strictly net and no retention or set-off or counter-claim shall be exercised unless prior express written agreement is provided by JOHNSON CONTROLS.
- c) Failure by the Buyer to make timely payment under the contract shall entitle JOHNSON CONTROLS -
 - to charge interest on all outstanding sums overdue to JOHNSON CONTROLS at a rate of 1.5% per month for each month or part thereof; and/or
 - to suspend any outstanding deliveries or to cancel the contract at JOHNSON CONTROLS option and to demand immediate payment of all sums owing to JOHNSON CONTROLS, all without prejudice to JOHNSON CONTROLS rights to damages; and/or
 - to suspend work on any other contract which JOHNSON CONTROLS have with the Buyer or to cancel such contract at JOHNSON CONTROLS option and to demand immediate payment of all sums owing to JOHNSON CONTROLS hereunder, without prejudice to JOHNSON CONTROLS, rights to damages.
- d) In the event it becomes necessary for JOHNSON CONTROLS to incur any costs or expenses in the collection of monies due to JOHNSON CONTROLS from the Buyer, or to enforce any of its rights or privileges hereunder, the Buyer, upon demand, shall reimburse JOHNSON CONTROLS for all such costs or expenses (including, but not limited to, reasonable attorneys' fees).

6. Warranty:

- a) JOHNSON CONTROLS warrants all new and replacement Equipment of its own manufacture hereunder against defects in workmanship and material for the period of 18 months after the date of delivery or 12 months from commissioning of the Equipment, whichever occurs first and will at its sole discretion, repair or replace on the same INCO terms such products or components as JOHNSON CONTROLS finds defective.
- b) This warranty does not include the replacement of refrigerant lost from the unit after delivery.
- c) On Equipment furnished, by JOHNSON CONTROLS, but manufactured by others, JOHNSON CONTROLS will extend the same warranty JOHNSON CONTROLS received from the manufacturer.

- d) No liability shall be incurred by JOHNSON CONTROLS until said Equipment have been paid for, and then such liability shall be limited to the cost of repairing or replacing said defective product or component.
- e) JOHNSON CONTROLS warrants that it shall perform the Services in a good and workmanlike manner compliant with industry standards. The Buyer's sole and exclusive remedy and JOHNSON CONTROLS entire liability for breach of this warranty will be re-performance of Services. Any claim for breach of this warranty must be made in writing and notified to JOHNSON CONTROLS within 90 days of performance of the Services at issue.
- f) The warranty and liability set forth above are in lieu of all other warranties and liabilities, express or implied in law or in fact, including the warranties of merchantability and fitness for a particular purpose. The warranties contained here in set forth Buyer's sole and exclusive remedy in the event of a defect in workmanship or materials.
- g) The obligations under this Clause 6 are subject to the following:
 - That the Buyer shall give written notice to JOHNSON CONTROLS specifying the nature of defects in the part or parts of the Equipment alleged to be defective within twenty-one (21) days of any purported failure.
 - That the Buyer shall make no further use of the Equipment alleged to be defective after the time at which the Buyer discovers that it is defective unless approval in writing is given by JOHNSON CONTROLS.
 - That the Buyer shall afford JOHNSON CONTROLS a reasonable opportunity to inspect the equipment.
 - JOHNSON CONTROLS shall be under no liability in respect of any defect arising from fair wear and tear, willful damage, negligence, abnormal working conditions, failure to follow JOHNSON CONTROLS instructions (whether verbal or in writing), misuse, alteration or repair of the Equipment without JOHNSON CONTROLS approval.
 - Should JOHNSON CONTROLS fail to eliminate defects accepted by JOHNSON CONTROLS or fail to deliver replacement Equipment and/or parts within a reasonable time, the Buyer will have the right to eliminate such defects with JOHNSON CONTROLS permission and at JOHNSON CONTROLS expense without prejudice to the Buyer's right in respect of warranties and JOHNSON CONTROLS undertakes to reimburse all actual normal expenses incurred in respect of such repairs but within the limits of normal costs required for such type of repair.

7. Installation and Site Services:

- a) In any case where the contract requires JOHNSON CONTROLS to install the Equipment in or on the premises of the Buyer, the Buyer shall afford JOHNSON CONTROLS personnel access to such premises at all reasonable times, shall provide a clean and safe work area, shall appoint a suitably competent employee to liaise with JOHNSON CONTROLS personnel and shall make available power supplies and other facilities necessary or conducive to the proper execution of the work.
- b) The work carried out by JOHNSON CONTROLS will be in accordance with that as described in the Order.
- c) The installation shall be deemed to be complete when JOHNSON CONTROLS is in a position to commission the installation notwithstanding any work still outstanding by the Buyer or third parties.
- d) Site services are defined herein as services provided by JOHNSON CONTROLS, which are carried out on the premises of other parties.
- e) The Buyer shall make available at the site all electricity, water and other facilities as JOHNSON CONTROLS may require or as may be necessary for the execution of the works.
- f) Unless otherwise agreed in writing, all work is to be performed during JOHNSON CONTROLS normal working hours as JOHNSON CONTROLS may determine from time to time.

- g) Time of completion of any site work is not guaranteed but JOHNSON CONTROLS will use all reasonable commercial endeavors to comply with the schedule required.
- h) Where access to the equipment to be worked on by JOHNSON CONTROLS is hazardous, the Buyer shall make the necessary provision for the JOHNSON CONTROLS personnel to carry out work in safety. This includes but is not limited to working at altitudes, electrical hazards, flameproof areas, and protection from potential disease or contamination. Any costs incurred by JOHNSON CONTROLS as a direct result of an unsafe working environment such as, but not limited to, abortive visits or special safety equipment shall be the sole responsibility of the Buyer.
- i) Except to the extent that such is occasioned by the willful or gross negligence of JOHNSON CONTROLS, the Buyer hereby indemnifies JOHNSON CONTROLS in respect of all costs, claims and liabilities of whatever nature incurred by third parties as a result of execution of work at site and agree to hold JOHNSON CONTROLS harmless in respect thereof.

8. Limitation of Liability:

- a) The Buyer shall indemnify JOHNSON CONTROLS in respect of all damage or injury caused to the property and personnel of JOHNSON CONTROLS or any other person, firm or company (including all costs and expenses associated therewith) caused by the act or omission (negligent or otherwise) of the Buyer, its employees, agents, or sub-contractors in connection with the Contract.
- b) Except with respect to death or personal injury resulting from negligence, the remedies of the Buyer set forth herein are exclusive, and the total liability of JOHNSON CONTROLS with respect to this agreement or the Equipment and/or Services furnished hereunder, in connection with the performance or breach thereof or from the manufacture, sale, delivery, installation, repair or technical direction covered by or furnished under this contract whether based on contract, warranty, negligence, indemnity, strict liability or otherwise, shall not exceed the purchase price of the unit of Equipment or Services, as appropriate, upon which such liability is based.
- c) Both JOHNSON CONTROLS and the Buyer, and/or their respective suppliers, shall in no event be liable to the other, any successors in interest or any beneficiary or assignees of this contract for any consequential, incidental, indirect, special or punitive damages arising out of this contract or any breach thereof, or any defect in, or failure of, or malfunction of the Equipment or Services there under, whether based upon loss of use, lost profits or revenue, interest, lost goodwill, work stoppage, impairment of other goods, loss by reason of shut-down or non-operation, increased expenses of operation, cost of purchase of replacement power or claims of a party or customers of a party for service interruption, whether or not such loss or damage is based on contract, warranty, negligence, indemnity, strict liability or otherwise Provided That where notwithstanding this clause such liability may be imposed by a court of competent jurisdiction it is agreed by the parties hereto that such liability shall not in any event exceed ten percent (10%) of the purchase price of the unit of Equipment or Services, as appropriate upon which such liability is based.

9. Force Majeure:

- a) If either JOHNSON CONTROLS or the Buyer is rendered unable wholly or in part by force majeure to carry out its obligations under this contract the party affected shall give to the other prompt written notice of the force majeure with reasonable full particulars concerning such where upon the obligation of the party giving the notice, so far as it is effected by the force majeure, shall be suspended during but no longer than the continuance of the force majeure. The affected party shall use all reasonable diligence to eliminate the effects of the force majeure as quickly as possible.
- b) The term "force majeure" as employed in this contract shall be deemed to include but shall not be limited to any war, riot, act of God, fire, flood, Government regulation or act, any natural or accidental disaster, any strike, lockout or industrial dispute, embargo, damage or delay in transportation, shortage of raw materials or fuel or any breakdown of

machinery or any other cause outside the reasonable control of the party suffering such force majeure, but not in any circumstances including financial inability.

- c) If a party is rendered unable wholly or in part by force majeure to substantially carry out its obligations under this contract for a period four (4) months or more, then either party may declare the contract to be abandoned forthwith by written, notice to the other party to that effect.

10. Patents.

- a) JOHNSON CONTROLS will hold Buyer and Buyer's sales outlets and customers harmless against any rightful claim of any third person by way of infringement of any patent or other intellectual property rights by such of the Equipment as are of JOHNSON CONTROLS own manufacture, but, if Buyer furnishes specifications to JOHNSON CONTROLS, Buyer will hold JOHNSON CONTROLS harmless against any such claims which arise out of compliance with the specifications. JOHNSON CONTROLS agreement to hold Buyer harmless shall not apply to any infringement consisting of the use of Equipment manufactured by JOHNSON CONTROLS as a part of any combination with goods manufactured by others. In the event that any Equipment manufactured by JOHNSON CONTROLS are (i) in any suit held to constitute infringement; or (ii) JOHNSON CONTROLS deems it necessary or expedient for the protection of JOHNSON CONTROLS patent rights or for the prevention of patent litigation, infringement suits, or any other patent or intellectual property rights claim, JOHNSON CONTROLS, if unable within a reasonable time to secure for Buyer the right to continue using such Equipment, either by suspension of any injunction, by securing for Buyer a license, or otherwise, will, at its own expense, either replace said Equipment at Buyer's place of business with non-infringing Equipment or modify such Equipment so that they become non-infringing, or accept the return of the Equipment and refund the purchase price paid therefore, which action to be determined at the sole discretion of JOHNSON CONTROLS.
- b) Whenever JOHNSON CONTROLS deems it necessary or expedient for the protection of JOHNSON CONTROLS patent rights or for the prevention of patent litigation, infringement suits, or for any patent or intellectual property rights reason whatsoever, to discontinue the sale of any Equipment manufactured by JOHNSON CONTROLS, Buyer, upon receipt of notice from JOHNSON CONTROLS with respect to discontinuance of sale of such Equipment, shall make no further purchases or sales or installations of any such Equipment unless or until authorized to do so in writing by JOHNSON CONTROLS.

11. Software Licence:

- a) Any software, whether on tape, disk or other reproductive medium or device, supplied as part of or in connection with the Equipment or Services is supplied by way of irrevocable non-exclusive licence to the Buyer to use such software only in or in respect of the Equipment. In this connection the Buyer shall at JOHNSON CONTROLS request execute and deliver such licence-to-use agreements as are appropriate to such software in such form as JOHNSON CONTROLS shall require.
- b) The software supplied may be used to make copies thereof in printed or machine-readable form for retention by the Buyer for record purposes. The Buyer acknowledges that the copyright and other intellectual property rights in such software are the property of and shall remain with JOHNSON CONTROLS or the supplier of such software, as appropriate.

12. Compliance with laws and regulations

- a) The Buyer, including its principals, owners, shareholders, officers, directors, and employees shall use only legitimate and ethical business practices in the activities contemplated by this Contract. The Buyer shall comply fully with all laws applying to the carrying out of its obligations under this Contract, including the United States Foreign Corrupt Practices Act, United States export control laws, local anti-corruption laws and laws prohibiting the payment of commercial or private bribes. In connection with this Contract, neither the Buyer nor any of its principals, owners, shareholders, officers,

directors or employees shall pay, offer, promise, or authorize the payment of, directly or indirectly, any monies or anything of value to any person, including but not limited to any "Government Official", for the purpose of improperly influencing such person or any other third party to exercise his/her discretionary authority or influencing in order to assist the Buyer and/or JOHNSON CONTROLS to obtain or retain business, or rewarding any favorable action or obtaining any improper advantage in any commercial transaction or in any government matter. For the purposes of this Clause, "Government Official" means any officer or employee of any federal, state, provincial or local government, including any government-owned or controlled entity, or, any department, agency, corporation or instrumentality thereof, or any political candidate, any official of a public international organization, or anyone acting on behalf of any such entity or individual, including immediate family members or nominees of such officials.

- b) Equipment, Services, technology, materials, tools, and technical data delivered by or to JOHNSON CONTROLS may be subject to United States export controls or the trade laws of other countries. The Buyer and JOHNSON CONTROLS agree to comply with all export control regulations and acknowledge that they have the responsibility to obtain such licenses to export, re-export or import as may be required. The Buyer and JOHNSON CONTROLS agree not to export or re-export to entities on the most current United States export exclusion lists or to any country subject to United States embargo or terrorist controls as specified in the United States export laws. The Buyer and JOHNSON CONTROLS will not use or provide Equipment, Services, technology, materials, tools, and technical data for nuclear, missile, or chemical and biological weaponry end uses. The Buyer represents, warrants and agrees that it has not and will not, directly or indirectly sell, ship or arrange for transfer of any Equipment, Services, technology, materials, tools, and technical data into countries subject to US trade embargoes (as of the date of this Contract: Cuba, Myanmar (Burma) Iran, North Korea, Syria and Sudan) and will cooperate with JOHNSON CONTROLS in determining whether any sale of JOHNSON CONTROLS supplied Equipment, Services, technology, materials, tools, and technical data under this Contract requires a United States export license or other approval including, without limiting the generality of the foregoing, providing JOHNSON Controls with satisfactory documentary evidence of the final destination and end user of the Equipment, failing which Johnson Controls will be entitled to terminate this Contract without any liability or obligation to the Buyer.
- c) The Buyer shall indemnify, defend and hold JOHNSON CONTROLS harmless from all suits, claims, liability, costs, damages and other expenses (including legal fees) incurred by JOHNSON CONTROLS arising out of or in connection with (a) any material misrepresentation or warranty or omission made by the Buyer in connection with itself or the end user prior to entering into this Contract, or (b) any breach of any of the Buyer's warranties or covenants provided in this Contract, including but not limited to the provisions of this Clause 12.

13. Governing Law and Arbitration:

- a) This Contract shall be deemed to have entered into and shall be governed by the laws in force in Dubai, United Arab Emirates. All claims, disputes and controversies arising out of or relating to this Contract or the breach thereof, shall be referred to the courts of Dubai, United Arab Emirates provided that Johnson Controls may bring such proceedings in the courts of any jurisdiction in which the Buyer is incorporated, resident or domiciled.

14. Miscellaneous:

- a) Any addenda or amendments to this Contract shall become valid only when affected through a written Order Acknowledgement.
- b) The effective date of this Contract is the date of the Order Acknowledgement drawn under this contract.

- c) These Standard Terms and Conditions of Sale and the matter set forth on the face of JOHNSON CONTROLS Purchase Order or Order Acknowledgement, shall constitute the entire agreement between JOHNSON CONTROLS and the Buyer. No prior understandings, agreements or representations, written or verbal, express or implied, are a part of the agreement, nor shall any subsequent modification, agreement or representation become part of this agreement unless expressly agreed to in writing by both parties or as stated in a later Purchase Order or Order Acknowledgement referencing the same Equipment and/or Services for the same project.
- d) If any of these conditions or any part thereof is rendered void by any legislation to which it is subject it shall be void to that extent and no further.
- e) The Contract is personal to the Buyer which shall have no right to assign or delegate all or any of its rights and obligations there under.
- f) A waiver by either party of any of the Standard Terms and Conditions of Sale of this agreement and/or breach thereof shall apply only to the particular instance or instances in which such waiver occurs, and shall not effect or impair the further continuance in force of such Standard Terms and Conditions of Sale, or the right of either party to avail itself of such Standard Terms and Conditions of Sale upon any subsequent breach or breaches thereof.
- g) Any notice to be given there under shall be given by sending the same in a pre-paid registered letter or by facsimile or telex to the principal place of business of relevant party or to such other address as such party may have notified to the other for the purposes hereof. Any notice sent by post shall be deemed (in the absence of evidence of earlier receipt) to have been served seven (7) days after despatch. Any notice sent by telex or facsimile shall be deemed to have been served on the day following its dispatch.
- h) These terms and conditions are made in English. The English text having prevailing force in matters of conflicting interpretations in the event these Standard Terms and Conditions of Sale are translated into Arabic for any reason.