

ESRI PURCHASE ORDER TERMS AND CONDITIONS

1. Acceptance of Terms. Environmental Systems Research Institute, Inc.'s ("Esri") Purchase Order includes these Purchase Order Terms and Conditions and the purchase order form (collectively hereinafter "PO"). By acceptance or by Supplier's shipment of all or any part of the goods or performance of any of the services specified in this PO, Supplier agrees to all of this PO's specifications, terms, and conditions.

2. Delivery Location, Time, and Specification Requirements. Supplier shall deliver goods or perform services at the time and location ("Destination") and in accordance with the description and quality specified in this PO.

3. Time Is of the Essence. Supplier acknowledges that time is of the essence for this PO.

4. Shipping Instructions. Unless otherwise specified in this PO, goods and service deliverables (collectively hereinafter "Goods") shall be shipped F.O.B. Destination. All Goods delivered to Esri should be accompanied by a detailed packing list with the Supplier's name, the number of this PO, and the box number for multiple box shipments (i.e., Box 1 of 5). If Goods are shipped in multiple boxes, the packing list should also specify the total number of boxes.

5. Final Inspection and Acceptance. Notwithstanding any prior payment or inspection by Esri, all Goods shall be subject to final inspection and acceptance by Esri at the Destination or in accordance with quality control standards otherwise specified in this PO. Should Esri reject any Goods for failure to conform to the requirements of the PO, Esri shall notify Supplier of the rejection, giving reasons for the rejection. Supplier shall then have the option to repair or replace the nonconforming Goods at the Destination within five (5) business days. Rejected Goods to be returned to Supplier shall be shipped at Supplier's expense. Should Supplier fail to act to correct any nonconforming Goods within eight (8) business days after notice by Esri, then Esri may, at Supplier's risk and expense, return any nonconforming product to Supplier.

6. Warranty. Supplier warrants that the Goods specified in this PO, including, without limitation, all Goods or parts thereof repaired or replaced pursuant to warranty, are free of defects in workmanship, materials, and design under normal use and service for the purpose for which they are designed and for Esri's intended use of such Goods. Supplier warrants that such Goods are in strict compliance with any specifications provided with respect to such Goods and meet applicable industry and professional standards. All warranties shall survive inspection, acceptance, and payment.

7. Regulatory Compliance. Supplier shall keep itself fully informed of all federal, state, or local laws, regulations, codes, ordinances, standards, or rulings, including, without limitation, any of the foregoing not otherwise applicable but which are ordered applicable by any regulatory or certifying governmental agencies (collectively the "Laws") that in any manner affect the Goods specified in this PO, and shall comply with all such Laws. Supplier warrants that the Goods comply with all such Laws. Furthermore, all permits, licenses, approvals, inspection fees, and sales or use taxes necessary for sale of the Goods specified in this PO shall be secured and paid by Supplier.

8. Indemnification Against Infringement. Supplier warrants that any Goods purchased pursuant to this PO, and the sale or use thereof, will not infringe any patent, copyright, or trademark and misappropriate any trade secrets or any other right, and Supplier agrees to defend, indemnify, and hold harmless Esri, its officers, directors, employees, successors, assigns, customers, and users of its Goods from any and all loss, liability, cost, or

expense including attorneys' fees, arising from a claim for actual or alleged infringement of any patent, copyright, or trademark or misappropriation of trade secrets or any other right by reason of the manufacture, use, or sale of the Goods, and Supplier agrees at its own expense to undertake the defense of any suit against Esri brought on any such claim. If the manufacture, use, or sale of any such Goods is enjoined as a result of the suit, Supplier, at no expense to Esri, shall obtain for Esri and its customers the right to manufacture, use, and sell the Goods, or shall substitute an equivalent item acceptable to Esri and extend this paragraph 8 to the item.

9. General Indemnity. Supplier agrees to defend, indemnify, and hold harmless Esri and its officers, directors, employees, successor, assigns, customers, and users against any and all loss, liability, cost, or expense including attorneys' fees, for death or injuries to persons or property arising out of or in connection with the failure of the Goods or Supplier's performance specified in this PO to comply with the requirements of this PO, unless caused by the gross negligence or willful misconduct of Esri.

10. Remedies. In addition to remedies provided in this PO, Esri shall have all other rights and remedies available under applicable law. In no event shall Supplier be entitled to payment from Esri for any indirect, special, incidental, or consequential damages in connection with any termination of this PO, or otherwise in connection with this PO.

11. Waiver of Breach. Waiver, forbearance, or inaction by Esri of a breach by Supplier of any term of this PO shall not be deemed a waiver of future compliance with such term or all terms of this PO.

12. Assignment and Delegation. Supplier shall neither assign any right or interest in this PO, nor delegate any obligation hereunder without the prior written consent of Esri. Any attempted assignment or delegation absent Esri's consent shall be wholly void and ineffective for all purposes.

13. Insurance. If Supplier will be delivering Goods to Esri facilities, other than by common carrier, or performing services at such facilities, Supplier is required to maintain, at no expense to Esri, insurance coverages in the following amounts:

- A. Commercial General Liability Insurance, including but not limited to, premises, products, completed operations and contractual liability, with limits of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate, for bodily injury and property damage. Said insurance shall be provided on an "occurrence" form.
- B. Workers Compensation and Employers Liability Coverage if Supplier is an employer of one or more employees, Workers Compensation and Employers Liability Coverage with minimum limits of:
 1. Workers Compensation: Statutory as required by law
 2. Employers Liability:
 - i. Bodily injury by accident: \$1,000,000 each accident
 - ii. Bodily injury by disease: \$1,000,000 each employee
 - iii. Bodily injury by disease: \$1,000,000 policy limit

The Workers Compensation policy is to allow for a waiver of subrogation by the insurance company in favor of "Environmental Systems Research Institute, Inc." If the policy requires this to be specifically endorsed on the policy to be effective, a copy of this

endorsement shall accompany the insurance certificate.

- C. Comprehensive Automobile Liability insuring against bodily injury and property damage with the following requirements:
1. \$1,000,000 combined single limit "any auto" and
 2. Must include Non-Owned Automobile Liability Coverage.
- D. None of the foregoing requirements as to the type and limits of insurance to be maintained by Supplier are intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Supplier under this PO.
- E. Each of Supplier's insurance policies:
1. Will be issued by companies that are admitted insurers in the jurisdiction in which the Goods are being provided hereunder;
 2. Will be issued by companies that have a current A. M. Best rating of not less than "A-," and are in a size category which is not lower than "VIII;"
 3. Will be primary and noncontributory with any of Esri's insurance;
 4. Will name "Environmental Systems Research Institute, Inc." as an additional insured (except Workers Compensation and Employers Liability Coverage where a waiver of subrogation in favor of Esri is needed);
 5. Will provide Esri with thirty (30) calendar days prior written notice of cancellation, non-renewal, or any reduction or material change in the coverages or limits; and
 6. Will provide endorsements if it is required by the insurance policy that an endorsement is to be done by the insurance company showing "Environmental Systems Research Institute, Inc." as an additional insured or that thirty (30) calendar days written notice will be provided in the event of cancellation, non-renewal, or any reduction or material change in the coverages or limits. A copy of such endorsements shall accompany the insurance certificates.
- F. Supplier shall cause its insurance carriers, brokers, or agents to issue to Esri certificates of insurance and where necessary, endorsements evidencing all insurance coverages and limits required by this paragraph 13.
- G. If required by Esri for the Goods being provided by the Supplier, the Supplier must carry Professional Liability (Errors & Omissions) Insurance for at least \$1,000,000 per accident with a \$2,000,000 aggregate. This insurance is to be kept in effect for two (2) years after the last Goods supplied or performed by the Supplier.
- H. Any authorized subcontractors of the Supplier must meet the same insurance requirements in this paragraph 13 and must provide Esri with the required certificates of insurance and endorsements.

14. Payments and Invoices. Esri will pay for the Goods only at the price and on the terms specified in this PO. Supplier's invoices must reflect such price and terms unless Supplier has received written authorization for changes prior to shipping or performing the Goods in question. Supplier's invoices shall contain the following information: (1) Esri's purchase order

number; (2) part number or contract line item number applicable to the Goods; (3) description of the Goods shipped or performed; (4) quantity of the Goods shipped; and (5) unit price applicable to the Goods. All local, state, and federal excise, sales, and use taxes, VAT, duties, and tariffs, when applicable, shall be stated separately on Supplier's invoices.

15. Esri's Design and Property. Supplier shall keep confidential the features or content of any proprietary information furnished by or on behalf of Esri ("Esri Furnished Property"), and will use the items only in performing under this PO. In no event shall Supplier use Esri Furnished Property in any other manner, or allow others to do so by assignment, transfer, subcontract, or business succession, without Esri's prior written consent. Esri Furnished Property and all copies, embodiments, overages, or misprints thereof shall remain Esri's property and shall be identified clearly by Supplier as "Property of Esri." Upon the first to occur of the delivery of the Goods ordered or termination of this PO, Supplier shall return all such property to Esri or dispose otherwise as Esri directs or approves. Esri may remove such property from Supplier's premises at any time, with or without prior notice.

16. Right to Cancel. Effective upon written notice, Esri may cancel this PO, or any part hereof, for its sole convenience and the Supplier shall immediately stop work and shall be entitled to the unit price stated on this PO for shipped, conforming Goods, plus 100% of the reasonable, nonrecoverable expenses sustained by Supplier for cancellation of unfinished or conforming special and nonstandard Goods that have not been shipped (collectively, "Unshipped Goods"). Supplier shall ship or dispose of Unshipped Goods in the manner directed by Esri.

17. Governing Law. This PO shall be governed by and construed in accordance with the laws of the State of California. The federal and state courts residing in Riverside or San Bernardino counties, California, shall have jurisdiction over any claim brought under this PO, and the parties hereby consent to the personal jurisdiction of such courts.

18. Severability. If any provision of this PO is held invalid, illegal, or unenforceable, the validity, legality, or enforceability of the remaining provisions shall in no way be affected or impaired thereby.

19. Government Flow-Downs. The following clauses from Title 48 C.F.R. apply to procurements of Commercial Items (as defined in Federal Acquisition Regulation 2.101) under US Government contracts from Suppliers at any tier: 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010); 52.203-15 Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (Jun 2010); 52.219-8, Utilization of Small Business Concerns (Dec 2010); 52.222-26, Equal Opportunity (Mar 2007); 52.222-35, Equal Opportunity for Veterans (Sept 2010); 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010); 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010); 52.222-50, Combating Trafficking in Persons (Feb 2009); 52.244-6, Subcontracts for Commercial Items (Dec 2010); and 52.247-64, Preference for Privately Owned US-Flag Commercial Vessels (Feb 2006). These clauses have the same force and effect as if they were stated in full text.

20. Integration. This PO constitutes the sole and entire agreement of the parties as to the subject matter set forth herein and supersedes any previous agreements, understandings, and arrangements between the parties relating to such subject matter. Any modification(s) or amendment(s) to this PO must be in writing and signed by an authorized representative of each party. The terms of this PO shall prevail over any conflicting terms on any order, Supplier acknowledgment of an order, or any other document of Supplier.