

BGM Engineering, Inc.

Standard Terms and Conditions

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6/11/15

WARRANTY

BGM Engineering, Inc. (hereinafter referred to as "BGM") Warranties the products and services it provides, for which it receives payment, for a mutually agreed upon time from the date of service. BGM will try to reflect the end customer's Warranty Policy which may impact price. The Client's sole remedy for breach of this Warranty shall be the performance of additional services or repair or replacement of the product by BGM to remedy the issue. BGM shall not be responsible for any consequential or incidental damages. This Warranty is the sole and exclusive Warranty offered by BGM. There are no other Warranties of any kind whether express or implied. **BGM hereby expressly disclaims any other Warrantee(s) of Merchantability and Fitness of a particular purpose.**

ACCEPTANCE OF WORK

In order for client to qualify for any warranty for products or services on a particular project ("the Work"), client must have signed off on the Work upon completion. Failure to sign off on the Work shall not relieve the client from paying for the Work.

STANDARD OF CARE

The Standard of Care for all services performed or furnished by BGM under this Agreement will be the care and skill ordinarily used by professions similar to BGM's practicing under similar circumstances at the same time and in the same locality.

CONFIDENTIAL INFORMATION

All documents including, but not limited to, drawings, specifications, data, technical information, computer files, electronic files, records, files, information, materials, papers, models and mock-ups prepared by BGM and its consultants are Instruments of Service for use solely with respect to a specific Project or site. All processes including, but not limited to, techniques, proprietary processes, management and economic policies, financial data, know-how, customer lists, computer software, intellectual property, inventions, patent rights and developments or other rights of any nature used by BGM are Means and Methods of Providing Services. This information has been developed through the expenditure of substantial time, effort and money and is a valuable and necessary asset that BGM wishes to retain in confidence and to withhold from publication and from availability to others. BGM may expend time and expenses on Program Development to establish and develop Client's program or project.

OWNERSHIP AND NONDISCLOSURE

Client agrees that all Instruments of Service and Means and Methods of Providing Service are the sole and exclusive property of BGM. All copies of Instruments of Service belonging to BGM in Client's possession shall be returned to BGM upon termination of this Contract or at any earlier time upon its request. BGM maintains records and information for its sole benefit and does not guarantee to store same for more than one (1) year after completion of the project. Client agrees to not copy, modify or share with anyone else, the Instruments of Service or Means and Methods of Providing Service without permission from BGM and its president. Client agrees there should be no publication of any Instruments of Service or Means and Methods of Providing Service without the express written permission of BGM and its president. Client agrees to receive and hold in confidence any information imparted to it or its employees, vendors or suppliers by BGM which pertains to BGM's business activity in any manner, and which is not the subject of general public knowledge, including Means and Methods of Providing Services. Client acknowledges and agrees that to do so would be theft or conversion of BGM's property, Trade secrets and/or confidential information. Should BGM elect to provide Client with access to BGM's computer systems or network in connection with this contract, Client agrees that upon termination of this Contract, it shall immediately cease any further use of such system or network and return to BGM any information related to such system or network. Further, Client agrees to abide by all of BGM's policies and procedures applicable to such use and access. Client shall include the foregoing provisions in all subcontracts in which it enters so that BGM shall have the same rights herein set forth with respect to each sub-contractor. This clause shall survive termination of this Contract.

LIMITATION OF LIABILITY

It is expressly agreed that the Client's maximum recovery against BGM relating to the products or services provided hereunder, whether in contract, tort, or otherwise, is the amount of BGM's fee actually paid and that an award of damages not to exceed such fee is Client's sole and exclusive remedy against BGM. Under no circumstance shall BGM be liable for Client's loss of profit, delay damages, or for any special, incidental, or consequential loss of damage of any nature arising at any time or from any cause whatsoever. BGM shall have no liability and no warranty of any kind unless it is allowed to fully complete the project and is fully paid for the project. BGM shall have no liability and no warranty of any kind for any project,

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which they do not fully supervise, participate in, and complete. BGM makes no guarantee of approvals from public agencies, as such approvals may be subjective.

DISPUTE RESOLUTION

Client agrees to litigate any dispute regarding this contract or arising from this contract in the Oakland or Macomb County Circuit Court or the Federal District Court for the Eastern District of Michigan as a non-jury trial. This paragraph is of essence to the contract. Client agrees not to commence any action or suit (whether Statutory, Common Law, Federal, State, or otherwise) relating to services provided by BGM more than six (6) months after the date of termination of such service, or the accrual of the cause of action whichever is earlier, and waive any Statute of Limitations to the contrary.

ETHICAL CODE OF CONDUCT AND PROCUREMENT PHILOSOPHY

It is the understanding of BGM that procurement will be made to the best advantage in the open market without favoritism. Best advantage shall be defined as the most favorable offer available in the competitive market considering prices, quality, performance and payment terms. All employees of BGM involved in the project are obliged under its "Code of Conduct" to perform business in an ethical manner, thus prohibiting them to accept any privileges, in fact or appearance, which might compromise their ability to execute a bona fide business transaction. Further, this prohibits them from seeking any improper advantage through contribution of funds, equipment or facilities, or the provision of other gifts or benefits to public officials or political organizations. To wit, no illegal or improper payment is to be made to any person or entity. By execution of this Agreement, Client acknowledges BGM's "Code of Conduct" and procurement philosophy noted herein. Additionally, Client acknowledges its intentions to fully cooperate with BGM in developing only ethical business relationships. Should Client encounter any business activity in its efforts to establish a business relationship with BGM that suggests a violation of its philosophy, Client will communicate such information to the President of BGM.

ACCESS TO PROPERTY AND INFORMATION

Client grants permission to allow BGM and its agents and subcontractors continuing access to the Property for the purpose of conducting its work under this agreement. Such access: (a) may be exercised by BGM or by agents of or consultants to BGM on

BGM's behalf; and (b) shall be exercised in a manner which shall not unreasonably interfere with Client's/ Operator's use of the Property. After completion of its work, BGM shall restore any disruption of the physical elements of the Property caused by its actions. Client represents and warrants that Client has all rights for such access and has conveyed such rights to BGM. With respect to any materials including but not limited to drawings, sketches or renderings given to BGM by Client or its agents for use in connection with the Work to be performed by BGM, Client represents and warrants that Client has all rights in the materials and has conveyed such rights to BGM as necessary to permit BGM to use, reproduce, distribute copies, to display, modify, or prepare derivative works, and to seal with BGM's name for permitting or other purposes.

INDEMNITY

Client will assume the defense of any suit brought against BGM and its subsidiaries, affiliates, shareholders, directors, officers, employees, agents, successors, assigns and distributors arising out of or resulting from any claims, including but not limited to infringement of copyrights, patents, or trade dress, unfair competition, or theft of trade secrets relating to any Client furnished materials. In any such suit, Client will indemnify BGM against any money damages awarded or costs reasonably incurred with respect to such a claim. This clause shall survive termination of this agreement. The obligations of Client stated above apply only if: 1. BGM promptly informs Client in writing of any claim within the scope of this paragraph. 2. Client is given control of the defense of such claim and all negotiations relating to its settlement; and 3. BGM cooperates with Client in all necessary respects in conduct of the suit. Any professional services resulting from such claim shall be considered additional services and charged at hourly rates.

DISCLOSURE

Client shall not disclose the existence of these terms and conditions and further agrees not to communicate, divulge, or otherwise make available to any third party other than Client's financial advisors, accountants, or attorneys, any information with respect to these terms and conditions, but not limited to the contents of these terms and conditions or any other information related to BGM for the purpose of reference, announcement, press release, or any other, without first obtaining prior written consent from an authorized representative of BGM. In the event the Client breaches this non-disclosure covenant, BGM shall have the right, at its sole

discretion, to immediately pursue all of BGM's legal remedies against Client. BGM reserves the right to depict Client's projects including logos for promotional purposes. The Client shall not solicit or employ any BGM personnel directly, indirectly, as a subcontractor, consultant, employee of another company, or in any way whatsoever during the course of this Contract and for a period of five (5) years after completion of this Contract. If the Client violates this clause of the Contract, Client agrees to pay a minimum of \$120,000 in penalties per employee hired from BGM, or actual damages, whichever is higher. This clause shall survive termination of this Contract and extend to all work performed between the Client, any other or future entity the Client may establish, acquire or be acquired by, and, BGM.

CHANGES OR ADDITIONS

Unless otherwise specified, any changes to any of the drawings, specifications, schedule or scope requested by the Client or required for approval will be treated as an extra, and are subject to an additional fee. In some instances, certain drawings as listed in the proposal may not be required or appropriate. In these instances, no deduction in fee shall apply. Client may make oral modifications or change orders, but to be enforced against BGM, BGM must have agreed to the modification or change order in writing.

TERMINATION OR SUSPENSION

Either party may terminate this Agreement with or without cause upon giving the other party thirty (30) days prior written notice. If the Client fails to make payments to BGM in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at BGM's option and upon giving seven (7) days written notification to Client, cause for suspension of performance of services under this Agreement. In the event of termination, Client shall pay BGM through date of termination for all services rendered as established by current Time and Material Billing Rates for actual time expended, all costs incurred in accordance with current Reimbursable Expense Schedule, and all Program Development Costs. In the event of termination BGM shall promptly provide a Final Invoice to the Client who shall make payment to BGM within fourteen (14) days of receipt of same. In the event of a suspension of services, BGM shall have no liability to for delay or damage caused to the Client because of such suspension of services. Before resuming services, BGM shall be paid all sums due prior to suspension including all Program Development Costs and any expenses incurred in the interruption and resumption of BGM's services. Time schedules and BGM's fees for the remaining services shall be equitably adjusted.

ADDITIONAL PROVISIONS

1. Payments on account of services rendered and for Reimbursable Expenses incurred shall be made monthly upon presentation of BGM's statement of services. No deductions shall be made from BGM's compensation on account of penalty, liquidated damages or other sums withheld from payments to contractors, or on account of the cost of changes in the Work other than those for which BGM has

been adjudged to be liable. Any invoice unpaid more than 30 days after the invoice date shall bear interest at the rate of 1.5% per month (18% annually) or the highest legal limit allowed until paid in full. Any payment made more than 7 days after the invoice due date shall be subject to a late payment fee of 5% of the invoice amount. Invoices are due upon mailing.

2. Client shall pay all of BGM's expenses related to the services that are the subject of this agreement (e.g. permits, travel, meals, lodging, reproductions and the like) unless expressly agreed to the contrary by BGM, in writing.

3. BGM hereby notifies that it intends to utilize all available lien rights it may have in connection with its provision of services under this Agreement. In order to perfect any construction lien in favor of BGM, Client agrees to provide, if applicable, any Notice of Commencement, or any other notice required by the Michigan Construction Lien Act, MCL 570.1101 et seq.

4. The Client agrees that during the period this Agreement is in effect and for a period of two years after termination, it will not solicit for employment or retention as an independent contractor, or retain the services in any other way, any employee or former employee of BGM. Client agrees to liquidated damages in the amount equal to the hired or retained person's last base annual salary at BGM, or total fees chargeable by such person if such person is compensated on a fee basis, for six (6) months

5. This is the entire agreement of the parties, all prior agreements, whether oral or written concerning the subject matter of this agreement are terminated, null and void, this agreement cannot be modified except in writing signed by all parties and Michigan Law shall govern.

6. This contract shall be binding on all successors, assigns and personal representatives, and shall not be assignable by Client. 7. If either party ever needs to enforce this agreement, all reasonable attorney fees and costs will be paid to the prevailing party by the other party.