

## ADDENDUM TO HONEYWELL STANDARD TERMS AND CONDITIONS

The Chicago Housing Authority (“CHA” or “Customer”) and Honeywell International Inc., (“Honeywell” or “Contractor”), through its Honeywell Building Solutions business unit, agree that this Addendum shall modify the terms and conditions contained in Honeywell’s standard terms and conditions contained in its proposals, and purchase orders submitted thereto (the Agreement”). In the event of conflicting terms or interpretations set forth in the Agreement, this Addendum, any purchase order, or any other documents provided between the parties, this Addendum will govern. Notwithstanding anything to the contrary contained in the Agreement, including all contract documents incorporated therein, the parties hereby agree to modify the Agreement as follows:

1. SUPPLEMENTAL CONDITIONS: This addendum to Honeywell’s Standard Terms and Conditions incorporates certain mandatory terms and conditions and exceptions and/or clarifications to Honeywell’s Standard Terms and Conditions.
2. SCOPE OF SERVICES: The services to be provided by Contractor are those more particularly described in Contractor’s proposals dated January 25, 2023 and January 26, 2023. (the “Services”).
3. NON-DISCRIMINATION: In connection with the performance of the work, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color or national origin.
4. PERFORMANCE STANDARDS: The Contractor shall perform all Services with the degree of skill, care and diligence normally shown by an entity performing services of a scope, purpose and magnitude comparable with the nature of the Services to be provided under this Contract, and in accordance with all applicable professional standards of due care.

The Contractor must ensure that all Services which require the exercise of professional skills or judgment must be accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed and/or certified, if required by law.

5. EVENTS OF DEFAULT: Each of the following shall constitute an event of default:
  - A. Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Contractor to the CHA.
  - B. The Contractor's failure to perform any of its obligations under this Contract including, but not limited to, the following:
    1. Failure to perform the Services with adequate personnel or with sufficient material to ensure the performance of the Services or due to a reason or circumstance within the Contractor’s control;
    2. Failure to meet any of the performance standards set forth in this Contract;
    3. Failure to perform the Services in a manner reasonably satisfactory to the CHA, or inability to perform the Services satisfactorily as a result of insolvency, filing for bankruptcy or assignment for the benefit of creditors;

4. Failure to promptly re-perform within a reasonable time Services or any deliverables that were rejected as erroneous or unsatisfactory;
5. Discontinuance of the Services for reasons or circumstances not beyond the Contractor's control;
6. Failure to cooperate with the CHA Inspector General in any investigations, audits, reviews, inspections or hearings.
7. Failure to maintain and/or renew insurance required under this Contract;

6. REMEDIES: Within ten (10) business days after Contractor has been provided written notice from CHA of the occurrence of each default, Contractor shall provide a statement setting forth the actions that Contractor has taken and/or proposes to take with respect to curing the default, and an estimated time period within which Contractor anticipates being able to cure the default.

Absent an agreed-upon time frame to cure an event of default, Contractor shall be given sixty (60) calendar days to cure each event of default following CHA's notice. If Contractor fails to cure such default within sixty (60) calendar days after receipt of written notice, or if the Contractor has failed to commence and continue diligent efforts to cure such default within sixty (60) days if such default cannot be reasonably cured within sixty (60) calendar days after notice, the CHA may declare the Contractor in default.

Whether to declare the Contractor in default is within the sole discretion of the CHA. Written notification of the default, and any intention of the CHA to terminate the Contract, shall be provided to the Contractor and such decision shall be final and effective upon the Contractor's receipt of such notice. Upon the giving of such notice, the CHA may invoke any or all of the following remedies:

- A. The right to terminate this Contract as to any or all of the Services yet to be performed effective at a time specified by the CHA.
- B. The right to pursue any and all remedies, legal and/or equitable, available to the CHA.
- C. The right to withhold all or any part of Contractor's compensation hereunder with respect to Services not completed in accordance with the terms hereof prior to the termination of this Contract.
- D. The right to deem Contractor non-responsible in future contracts to be awarded by the CHA.
- E. The right to take over and complete the Services or any part thereof as agent for and at the cost of Contractor, either directly or through others.

If the CHA considers it to be in its best interests, it may elect not to declare default or to terminate the Contract hereunder. The parties acknowledge that this provision is solely for the benefit of the CHA and that if the CHA permits Contractor to continue to provide the Services despite one or more events of default, the Contractor shall in no way be relieved of any of its responsibilities, duties or obligations under this Contract nor shall the CHA waive or relinquish any of its rights.

The remedies under the terms of this Contract are not intended to be exclusive of any other remedies provided, but each and every such remedy shall be cumulative and shall be in addition to any other remedies, existing now or hereafter, at law, in equity or by statute. No delay or failure to exercise any right or power accruing upon any event of default or acquiescence therein shall be deemed as a waiver of such right or power, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

7. SECTION 3 AND DIVERSITY AND INCLUSION CONTRACT REQUIREMENTS:  
HUD's Section 3 requirements pursuant to 24 C.F.R. Part 75 and/or CHA's supplemental requirements for Section 3 Business participation are applicable to all Contracts/Purchase Orders, in accordance with the thresholds set forth in CHA's Diversity and Inclusion Contract Requirements.
- A. Section 3 – Compliance: Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u, (Section 3), and the regulations implementing Section 3 at 24 C.F.R. Part 75 – Economic Opportunities for Low- and Very Low-Income Persons, require that any contract or subcontract entered into for the benefit of public housing residents shall require that, to the greatest extent feasible, economic opportunity in the form of training, employment, contracting, and other economic opportunities arising from the expenditure of public housing assistance for housing rehabilitation and housing construction be directed to low- and very low-income persons. The parties to this contract agree to comply with HUD's regulations in 24 C.F.R. Part 75 and CHA's Diversity and Inclusion Contract Requirements regarding employment, subcontracting and training opportunities for Section 3 Workers, Targeted Section 3 Workers, Section 3 Business Concerns and Minority, Women and Disadvantaged business enterprises ("M/W/DBE").
- B. Documenting and Reporting. The Contractor and its subcontractors shall provide all required compliance data via CHA's electronic system available at <https://cha.diversitycompliance.com/>. The Contractor and its subcontractors shall be responsible for responding to any requests for data or information by the noted response due dates and shall check the electronic system on a regular basis to manage contact information and contract records. The Contractor shall also be responsible for ensuring that all subcontractors have completed all requested items with complete and accurate information and that their contact information is current.

8. ILLINOIS EQUAL OPPORTUNITY CLAUSE  
TITLE 44: GOVERNMENT CONTRACTS, PROCUREMENT AND PROPERTY MANAGEMENT  
SUBTITLE B: SUPPLEMENTAL PROCUREMENT RULES - CHAPTER X: DEPARTMENT OF HUMAN RIGHTS - PART 750 PROCEDURES APPLICABLE TO ALL AGENCIES- SECTION 750.  
APPENDIX A EQUAL EMPLOYMENT OPPORTUNITY CLAUSE

EQUAL EMPLOYMENT OPPORTUNITY

In the event of the Contractor's non-compliance with the provisions of this Equal Employment Opportunity Clause or the Act, the Contractor may be declared ineligible for future contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations, and the contract may be cancelled or voided in whole or in part, and other sanctions or penalties may be imposed or remedies invoked as provided by statute or

regulation. During the performance of this contract, the Contractor agrees as follows:

- 1) That he or she will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, marital status, order of protection status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, military status or an unfavorable discharge from military service; and, further, that he or she will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any underutilization.
- 2) That, if he or she hires additional employees in order to perform this contract or any portion of this contract, he or she will determine the availability (in accordance with this Part) of minorities and women in the areas from which he or she may reasonably recruit and he or she will hire for each job classification for which employees are hired in a way that minorities and women are not underutilized.
- 3) That, in all solicitations or advertisements for employees placed by him or her or on his or her behalf, he or she will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, sexual orientation, marital status, order of protection status, national origin or ancestry, citizenship status, age, physical or mental disability unrelated to ability, military status or an unfavorable discharge from military service.
- 4) That he or she will send to each labor organization or representative of workers with which he or she has or is bound by a collective bargaining or other agreement or understanding, a notice advising the labor organization or representative of the Contractor's obligations under the Act and this Part. If any labor organization or representative fails or refuses to cooperate with the Contractor in his or her efforts to comply with the Act and this Part, the Contractor will promptly notify the Department and the contracting agency and will recruit employees from other sources when necessary to fulfill its obligations under the contract.
- 5) That he or she will submit reports as required by this Part, furnish all relevant information as may from time to time be requested by the Department or the contracting agency, and in all respects comply with the Act and this Part.
- 6) That he or she will permit access to all relevant books, records, accounts and work sites by personnel of the contracting agency and the Department for purposes of investigation to ascertain compliance with the Act and the Department's Rules and Regulations.
- 7) That he or she will include verbatim or by reference the provisions of this clause in every subcontract awarded under which any portion of the contract obligations are undertaken or assumed, so that the provisions will be binding upon the subcontractor. In the same manner as with other provisions of this contract, the Contractor will be liable for compliance with applicable provisions of this clause by subcontractors; and further it will promptly notify the contracting agency and the Department in the event any subcontractor fails or refuses to comply with the provisions. In addition, the Contractor will not utilize any subcontractor declared by the Illinois Human Rights Commission to be ineligible for contracts or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations. (Source: Amended at 35 Ill. Reg. 3695, effective February 18, 2011).

9. OWNERSHIP OF DOCUMENTS: All documents and information generated, prepared, assembled or encountered by or provided under this agreement is the property of the CHA.
10. CHA INSPECTOR GENERAL: It is the duty of the Contractor and its subcontractors to cooperate with the CHA Inspector General in any investigation or hearing undertaken.
11. CONFIDENTIALITY: Contractor agrees that all Deliverables, reports, documents or other information prepared or assembled by, or received or encountered by the Contractor, its employees, agents and subcontractors pursuant to this Contract (including information regarding CHA residents) are to remain confidential ("Confidential Information"). Further, Contractor agrees that such Confidential Information shall not be made available to any individual or organization other than the CHA, HUD or courts of competent jurisdiction or administrative agencies pursuant to a subpoena without the prior written approval of the CHA. In the event the Contractor is presented with a subpoena regarding such Confidential Information, which may be in the Contractor's possession by reason of this Contract, the Contractor must immediately give notice to the CHA's Chief Executive Officer and Chief Legal Officer with the understanding that the CHA will have the opportunity to contest such process by any means available to it before the Confidential Information is submitted to a court or other third party. Contractor, however, is not obligated to withhold the delivery of such Confidential Information beyond the time ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended. Contractor agrees that this paragraph 11 shall survive the termination of the Contract.
12. NON-APPROPRIATION: Funding for this Agreement is subject to: (1) availability of federal funds from HUD, (2) the approval of funding by the CHA's Board of Commissioners, when required, and (3) the Contractor's satisfactory performance of this Agreement. Furthermore, in the event that no funds or insufficient funds are appropriated and budgeted or appropriated funds are rescinded by Congress in any fiscal period of the term of this Agreement for payments to be made under this Agreement, then the CHA may notify the Contractor of such occurrence and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted.
13. INCORPORATION OF HUD FORM - HUD Table 5.1 Mandatory Contract Clauses for Small Purchases other than Construction, attached hereto as Attachment A, is incorporated by reference herein. as supplemented by simplified acquisition threshold (41 U.S.C. 403(11) (*non- construction contracts in excess of \$2000, but less than \$250,000*})

**Exceptions to Honeywell Building Technologies Service Agreement Terms and Conditions**

1. Paragraph 4, Proprietary Information, Section 4.4, Standard of Care. Strike Section 4.4(b) concerning indemnification.
2. Paragraph 6, Hazardous Substances, Mold and Unsafe Working Conditions, Section 6.5. Strike “and agrees to indemnify Honeywell against any and all claims, damages, or causes of action that arise out of the storage, consumption, loss and/or disposal of refrigerant”.
3. Paragraph 8, Indemnity. Strike in its entirety.
4. Paragraph 9, Limitation of Liability. Replace “Honeywell” with “either CHA or Honeywell.”
5. Paragraph 12, Dispute Resolution. Replace with the following:

In the event of a dispute between the CHA and the Contractor involving this Agreement, both parties will attempt to negotiate a resolution. If the parties cannot resolve the dispute through negotiation, either party shall, unless otherwise set forth herein, submit the dispute in writing in accordance with the procedure set forth below:

- A. All claims shall be made in writing and submitted to the Deputy Chief of Procurement.
  - B. CHA shall, within sixty (60) days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of CHA’s decision, notifies CHA in writing that it takes exception to such decision, the decision shall be final and conclusive.
  - C. Provided the Contractor has (i) given the notice within the time stated in subparagraph B. above, and (ii) excepted its claim relating to such decision from its final release, and (iii) brought suit against CHA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by CHA that it submit its final pay request and release, whichever is earlier, then CHA’s decision shall not be final or conclusive, but the dispute shall be determined on the merits of a court of competent jurisdiction.
  - D. Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of CHA.
6. Paragraph 15, Terms of Payment, Section 15.2, Service Maintenance. Substitute thirty (30) days for twenty (20) days.
  7. Paragraph 15, Terms of Payment, Section 15.3, Suspension of Work. Strike.

8. Paragraph 15, Terms of Payment, Section 15.5. Strike “and are deemed waived 15 calendar days following the invoice date.”
9. Paragraph 20, Sanctions. Strike “Should Honeywell be subject to any liability as a result of Customer’s non-compliance with Sanctions laws, then Customer shall indemnify Honeywell to the extent of such liability.
10. Paragraph 21, Change Orders, Section 21.2. Strike “unless otherwise specifically agreed to in writing by both Parties, if Honeywell submits a proposal pursuant to such request but Customer chooses not to proceed, Customer shall issue a Change Order to reimburse Honeywell for any and all costs incurred in preparing the proposal.
11. Paragraph 23, Automatic Renewals. Strike “Customer acknowledges and agrees that any additional or contrary terms contained in any Customer purchase order or other agreement issued to Honeywell are not applicable to the services provided and are hereby rejected,” and add the following:

Notwithstanding any automatic renewal, this Contract shall not be renewed beyond a period of five (5) years in total. Any renewal may be subject to approval by CHA’s Board of Commissioners.
12. Paragraph 25, Miscellaneous Provisions, Section 25.1. Entire Agreement. Revise first sentence to “This Agreement and the Addendum hereto contain the entire understanding of the Parties with respect to the subject matter hereof and supersede any prior agreements and commitments with respect thereto.”
13. Paragraph 25, Miscellaneous Provisions, Section 25.10, Governing Law. Substitute “State of Illinois” for “State of New York” in first sentence. Substitute “Northern District of Illinois” for “Southern District of New York”.

**Exceptions to Honeywell Building Technologies Labor & Installation Terms and Conditions**

1. Paragraph 4, Proprietary Information, Section 4.4, Standard of Care. Strike Section 4.4(b) concerning indemnification.
2. Paragraph 8, Indemnity. Strike in its entirety.
3. Paragraph 9, Limitation of Liability. Replace “Honeywell” with “either CHA or Honeywell.”
4. Paragraph 11, Patent Indemnity, Section 11.4. Strike in its entirety.
5. Paragraph 12. Dispute Resolution. Replace with the following:

In the event of a dispute between the CHA and the Contractor involving this Agreement, both parties will attempt to negotiate a resolution. If the parties cannot resolve the dispute through negotiation, either party shall, unless otherwise set forth herein, submit the dispute in writing in accordance with the procedure set forth below:

- A. All claims shall be made in writing and submitted to the Deputy Chief of Procurement.
  - B. CHA shall, within sixty (60) days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of CHA’s decision, notifies CHA in writing that it takes exception to such decision, the decision shall be final and conclusive.
  - C. Provided the Contractor has (i) given the notice within the time stated in subparagraph B. above, and (ii) excepted its claim relating to such decision from its final release, and (iii) brought suit against CHA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by CHA that it submit its final pay request and release, whichever is earlier, then CHA’s decision shall not be final or conclusive, but the dispute shall be determined on the merits of a court of competent jurisdiction.
  - D. Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of CHA.
6. Paragraph 14, Payment and Suspension of Work, Section 14.1. Strike in its entirety.
  7. Paragraph 14, Payment and Suspension of Work, Section 14.2. Substitute thirty (30) days for twenty (20) days.
  8. Paragraph 14, Payment and Suspension of Work, Section 14.3. Strike “Company agrees to pay a service fee in the amount of \$500.00 for each occurrence for its failure to include the remittance detail and minimum information described above.”




- 9. Paragraph 14, Payment and Suspension of Work, Section 14.5. Strike “and are deemed waived 15 calendar days following the invoice date.”
- 10. Paragraph 14, Payment and Suspension of Work, Section 14.6. Strike subparagraph i.
- 11. Paragraph 17, Termination. Strike “a termination fee of thirty percent (30%) of the total amount due under the Agreement in addition to”.
- 12. Paragraph 18, Changes in the Work, Section 18.2. Strike “unless otherwise specifically agreed to in writing by both Parties, if Honeywell submits a proposal pursuant to such request but Customer chooses not to proceed, Customer shall issue a Change Order to reimburse Honeywell for any and all costs incurred in preparing the proposal.
- 13. Paragraph 19, Acceptance of the Work. Strike, “To the fullest extent permitted by law, Company shall indemnify and hold harmless Honeywell and its agents and employees from and against any and all claims, damages, losses and expenses, including but not limited to attorneys’ fees, that in any way result from or arise from Company’s breach of this Section 19. This indemnification shall survive termination of this Agreement for whatever reason.”
- 14. Paragraph 23, Price Adjustment. Strike “If a dispute arises with respect to Economic Surcharges, and that dispute remains open for more than fifteen (15) days, Honeywell may, in its sole discretion, withhold performance and future shipments or combine any other rights and remedies as may be provided under this Agreement or permitted by law until the dispute is resolved.”
- 15. Paragraph 29, Miscellaneous Provisions, Section 29.10, Governing Law. Substitute “State of Illinois” for “State of New York” in first sentence. Substitute “Northern District of Illinois” for “Southern District of New York”.

**CHICAGO HOUSING AUTHORITY**

**HONEYWELL INTERNATIONAL, INC.,**

**Through its Honeywell Building Technologies-  
Services business unit**

DocuSigned by:  
  
 02DBAECFF536465...  
 By: \_\_\_\_\_  
 Sheila Johnson  
 Deputy Chief Procurement Officer

Michael  
 Waterbury  
 By: \_\_\_\_\_  
 Name:

Digitally signed by Michael Waterbury  
 Date: 2023.08.28 12:58:28 -04'00'

Dated:

Title: Regional General Manager

Dated: 8/28/23