

Attachment I: FRIP NASRC Subcontractor Agreement Template

SUBCONTRACTOR AGREEMENT

This SUBCONTRACTOR AGREEMENT ("Agreement") is made between North American Sustainable Refrigeration Council, a California public benefit corporation ("NASRC" or "Customer" or "Grantee") and Sub-Contractor Company, a Business Type with its principal place of business at Address ("Company Name"), and is effective as of Month Day, Year ("Effective Date").

WHEREAS, California Air Resources Board ("CARB") has awarded the F-Gas Reduction Incentive Program grant (the "Project" or "FRIP") to NASRC pursuant to a Grant Agreement dated November 30, 2023 ("Grant Agreement"). The Grant Agreement and all exhibits thereto are incorporated herein as if fully set forth by this reference.

WHEREAS, NASRC included COMPANY NAME as NASRC's contractor regarding the Project in NASRC's grant proposal submitted to CARB.

WHEREAS, The Grant Agreement and the grant proposal delegate specific tasks to NASRC and specific tasks to COMPANY NAME regarding the Project as summarized in Exhibit A hereto.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

1. Services.

COMPANY NAME shall use skill, care, expertise, and knowledge as pertain to professional contractors experienced in performing work that is similar in nature to the work in the contract to perform the scope of work according to the project schedule, within the project budget and in compliance with all terms and conditions contained in the Grant Agreement regarding COMPANY NAME Roles & Responsibilities as specifically set forth in Exhibit A ("Project"). The parties agree that NASRC in its sole discretion shall be authorized to define and interpret the specific relative tasks that COMPANY NAME shall carry out regarding the Project set forth in Exhibit A, provided COMPANY NAME's mutual written consent shall be required to modify or change any of the tasks COMPANY NAME is obligated to perform.

In carrying out the Project, COMPANY NAME shall utilize stringent data security standards that are ISO/IEC 27001 Data Security Management compliant. COMPANY NAME shall operate in compliance with industry standard ISO 27001/GDPR.

COMPANY NAME shall respond to written communications or requests for information within a reasonable time.

CONTRACTOR DISCLAIMS ALL WARRANTIES AND CONDITIONS EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

2. Payment. NASRC shall pay COMPANY NAME for COMPANY NAME's services based on COMPANY NAME's time and materials spent per task in accordance with the Total Program Budget and hourly compensation rates set forth in the Grant Agreement. To the extent the scope of work materially changes in the years 2027-2029, COMPANY NAME shall be entitled to request a change order. Within 10 days after the completion of each month, COMPANY NAME shall provide NASRC with an itemized invoice for services provided within said month. Said invoice shall comply with all requirements contained in the Grant Agreement. Within 5 days after receipt of any invoice, NASRC shall notify COMPANY NAME to the extent NASRC rejects any invoiced amounts. NASRC shall provide detailed grounds to COMPANY NAME supporting any rejected invoiced amounts. NASRC may reject invoiced amounts on the basis that they exceed the budget or otherwise fail to comply with the Grant Agreement. NASRC may also reject invoiced amounts on the basis that COMPANY NAME's services are defective or insufficient and do not comply with the scope of work set forth in Exhibit A. NASRC agrees that it shall pay COMPANY NAME all non-rejected amounts included on any invoice within 60 days of submission, provided, however, that NASRC shall not be obligated to pay any amounts not paid by NASRC by CARB on the basis of said amounts being rejected by CARB.

3. Term. The term of this Agreement shall commence on the Effective Date and shall continue until June 30, 2027 or until (i) the Grant Agreement is terminated by CARB or NASRC under the terms of the Grant Agreement or; (ii) either COMPANY NAME or NASRC terminates this Agreement as provided below ("Term"). Either party may terminate this Agreement in the event of any material default in, or breach of, any of the terms and conditions of this Agreement by the other party, which default continues in effect after the defaulting party has been provided with written notice of the default and thirty (30) days to cure such default. In the event of termination, COMPANY NAME shall only be paid for services performed before the date of termination.

4. Indemnity. COMPANY NAME agrees to indemnify, defend, and hold harmless NASRC, its employees, agents, officers and directors for and from any and all liabilities, losses, damages, claims and expenses, including reasonable attorneys' fees, arising out of, resulting from or related to any third party claims for bodily injury, including death, and property damage, caused by the actions or inactions of COMPANY NAME or any of its contractors, subcontractors, affiliates, employees, officers or agents, which arise out of (i) any negligent act, error, omission, or willful misconduct of COMPANY NAME.

COMPANY NAME agrees to indemnify, defend, and hold harmless the State of California, CARB, and CARB's officers, Board members, employees, agents and representatives against, for and from any and all liabilities, losses, damages, claims and expenses, including reasonable attorneys' fees, arising out of, resulting from or related to any third party claims for bodily injury, including death, and property damage, caused by the actions or inactions of COMPANY NAME or any of its contractors, subcontractors, affiliates, employees, officers, and agents arising out of or resulting from COMPANY

NAME's negligence or willful misconduct in its performance of its obligations under this Agreement.

5. Insurance. COMPANY NAME shall maintain all insurance covered required by this Agreement.

6. Legal Compliance. COMPANY NAME's implementation of the Project shall comply with all applicable federal, state, and local government statutes, laws, regulations, codes, ordinances, orders, or other governmental and quasi- governmental requirements that apply to the Project.

7. Conflict of interest. By entering into this subcontract, said party is or may be a direct or indirect recipient ("Recipient") of funds received from or provided by the California Air Resources Board ("CARB"), and as such certifies, represents and warrants that he, she, it is in compliance with all applicable state and federal conflict of interest laws on the date said subcontract is signed and shall remain in compliance with all such laws for a period of five (5) consecutive years following receipt of any and all funding amounts on a rolling continuous basis. Recipient further certifies, represents, and warrants that he, she, it has no interest, and shall not acquire any interest, direct or indirect, which will conflict with Recipient's ability to impartially perform under, or complete the tasks described in, any and all subcontracts, vouchers or programs. The Recipient acknowledges, understands, and accepts that Recipient must disclose any direct or indirect financial interest or situation which may pose an actual, apparent, or potential conflict of interest. The Recipient acknowledges, understands, and accepts that the nature and extent of any actual, apparent, or potential conflict of interest may be a basis for disqualification from receiving any funds. The Recipient certifies, represents, and warrants that Recipient will immediately advise the Grantee in writing of any potential new conflicts of interest as they arise.

8. Cooperation with Audits. Recipient warrants, represents, and agrees to cooperate fully, without delay, in all audits, inquiries and investigations initiated by or on behalf of the Grantee and/or the State of California concerning or relating to compliance with local, state, or federal air quality laws, or this agreement, including but not limited to timely submission of any and all records requested and full cooperation with any on-site inspections.

9. Payment on Demand. Recipient represents, warrants, and agrees that upon notification by the Grantee or its authorized representative of an overpayment, a wrongful payment, or a violation of or failure to comply with any of the grant, agreement, contract, voucher or program requirements or obligations, Recipient will, without challenge or delay, remit to the Grantee or its authorized representative the requested amount within 60 days from the date of issuance of said notice.

10. Separate Accounts. If Recipient has received any funds as a grant or subgrant pursuant to a grant or subgrant agreement, then Recipient shall not commingle said funds with any other accounts, revenues, grants, donations, or resources except where expressly authorized in the fully executed written agreement between Recipient and the Grantee. Recipient will maintain all such grant or subgrant funds in a separate bank account designated specifically for the purposes of carrying out the intent and purpose for which said funds were provided. The bank account must be held in the name of the Recipient (the official legal entity's name, and not a dba), and under no other name, person, or entity. Funds received are NOT the assets of the Recipient. Grant and subgrant funds shall not be used as collateral for or an obligation to any debt, loan or other commitments of Recipient, its officers, agents, assigns, contractors, subcontractors, subgrantees or affiliates. Recipient shall ensure that the Grantee is designated in writing as a third-party beneficiary of and to all such bank accounts in which said funds are maintained or held.

11. Third-Party Beneficiary. The Recipient acknowledges, accepts, and agrees that the state of California, acting by and through the California Air Resources Board (CARB), is an intended third-party beneficiary to any and all Recipient agreements, vouchers, contracts, subcontracts, awards and grants with the Grantee where any funds provided by CARB are used or applied.

12. Compliance with Air Quality Laws. Recipient understands, acknowledges, and agrees that compliance with all applicable federal, state, and local air quality rules, regulations and statutes is a precondition to the receipt or use of any state funds provided by or through the California Air Resources Board (CARB), and is a continuing obligation for the consecutive five (5) years following receipt of any state funds on a rolling continuous basis. Recipient understands, acknowledges and agrees that a failure to comply in whole or in part with any local, state or federal air quality rules, regulations or statutes, or a failure to comply, in whole or in part, with any of the requirements or obligations under the project or program, agreement, contract, subcontract, award, voucher, or grant (as applicable) is, in each instance, a material breach of the conditions under which state funds were provided or made available, and such breach will result in undue hardship and damages to the Grantee and the State of California some or all of which may be impossible to easily calculate.

13. Liquidated Damages. If the Grantee or the state of California determines, within its or their sole and absolute discretion, that Recipient is in breach or has breached any obligation to remain in compliance with any applicable federal, state or local air quality rules, regulations and statutes, then Recipient, immediately upon demand, will pay the Grantee (or to CARB, as requested), as liquidated damages, the full amount of all state funds received to date. The Recipient agrees that quantifying the losses arising from any breach is inherently difficult insofar as breach may cause the state of California

or the Grantee irreparable, serious, or substantial harm or damage, including to taxpayers or to the environment. Recipient further stipulates that the agreed upon amount of liquidated damages is not a penalty, but rather a reasonable measure of damages based upon experience and given the nature of the losses that may result from said breach. The Recipient agrees that the liquidated damages have been computed, estimated, and agreed upon by all parties and represents an attempt to make a reasonable forecast of probable actual loss because of the difficulty of estimating with exactness the damages which will result. This obligation shall apply even if there is a concurrent noncompliance or violation of air quality rules, regulations or laws caused by a third party. The remedies set out in this paragraph are contractual in nature.

14. Nothing stated herein above in any way limits, prevents, or precludes the State of California or the Grantee from taking any enforcement action, exercising any police power, or prosecuting any violation of law against Recipient, its employees, officers, agents, assigns, representatives, contractors, subcontractors, affiliates, grantees, subgrantees, or any third parties.

15. Survival. Recipient acknowledges, agrees and accepts that those terms, conditions, provisions and exhibits which by their nature should survive termination, cancellation or expiration of the subcontract or agreement, shall so survive, including but not limited to those sections and provisions pertaining to indemnity, recordkeeping, audit, third party beneficiary status, return of funds, data security, insurance, confidentiality, and the general provisions.

16. Confidentiality. COMPANY NAME agrees to be bound by all portions of the Grant Agreement regarding confidential information. COMPANY NAME is prohibited from disclosing any record, data, or information designated as confidential by CARB or NASRC unless expressly authorized to do so. In addition, COMPANY NAME shall hold NASRC's, CARB's and Program participant's Confidential Information in confidence. All Confidential Information shall (i) remain the sole property of NASRC or third parties who have provided same to NASRC and (ii) be used by COMPANY NAME only to provide the services as hereunder and shall not be disclosed, provided, or otherwise made available to any third party other than CARB by COMPANY NAME, without the prior written permission of NASRC. COMPANY NAME agrees to deliver to NASRC all tangible materials containing or embodying Confidential Information upon NASRC's request or, at NASRC's option, certify that all such materials in COMPANY NAME's possession have been destroyed. Notwithstanding the foregoing, COMPANY NAME shall not be deemed to have retained or failed to destroy any Confidential Information that has been retained as a result of an automated electronic back-up or archival system used by COMPANY NAME in the ordinary course of business pursuant to bona fide back-up and archival procedures, provided such Confidential Information shall continue to be subject to the confidentiality obligations and data security requirements set forth in this Agreement and the Grant Agreement. COMPANY NAME acknowledges and agrees that all Confidential Information is the sole and exclusive property of NASRC or the party providing the information.

In the performance of the services under this Agreement, COMPANY NAME may disclose information that it deems confidential to the Parties without waiver of its confidentiality rights. "COMPANY NAME Confidential Information" from COMPANY NAME includes, without limitation: (i) information, ideas or materials of a technical nature such as compilations, notes, studies, memoranda, research and development results, designs and specifications and other materials and concepts relating to the work and processes of COMPANY NAME and (ii) information, ideas or materials of a business nature such as non-public financial information; information regarding costs, profits, products, customers, suppliers, business and financial plans and forecasts. NASRC will be subject to the same standard as required of COMPANY NAME under this Agreement regarding information deemed confidential by COMPANY NAME, provided NASRC may disclose any COMPANY NAME Confidential Information to CARB or in accordance with applicable law as required to fulfill its obligations in the Grant Agreement or performance of the Project.

17. Notices. Any notice or other communication provided for in this Agreement shall be in writing and shall be deemed given and effective when delivered (i) personally, (ii) by email or (iii) by overnight courier service addressed to a party at its address stated below or to such other address as such party may designate by written notice to the other party in accordance with the provisions of this Section.

18. Authorized Signature. The Recipient agrees and acknowledges that it has signed or has authorized the signing of the subcontract with the Grantee, and by doing so hereby declares under penalty of perjury, under the laws of the State of California, that all statements and responses made in said grant, award, contract, subcontract and/or agreement are true and correct, with full knowledge that all statements and responses are subject to investigation and that any incomplete, unclear, false, or dishonest response may be grounds for disqualification from receiving any existing or further funding or participating in any programs or projects using the CARB-provided or Grantee-provided funds, or from doing business with the State of California or the Grantee. The Recipient acknowledges, understands, and accepts that by providing or making any false statements or providing false information, the Recipient may be in a violation of the California False Claims Act (Government Code Section 12650 et seq.). Recipient certifies, represents, and warrants that the individual signing on its, his or her behalf herein below is an authorized representative of Recipient with full power and legal authority to sign below and by said signature Recipient is bound to and will comply with all terms, conditions and obligations set forth in this agreement, grant, voucher, application and/or contract, as applicable.

NACRC: 35 Miller Ave #1019, Mill Valley, CA 94941

COMPANY NAME: _____

19. Limitation of Liability. NEITHER PARTY SHALL IN ANY WAY BE HELD LIABLE FOR ANY CONSEQUENTIAL OR INDIRECT LOSS, INCLUDING BUT NOT LIMITED TO INTERRUPTION OR LOSS OF BUSINESS, LOSS OF PROFIT, HOWSOEVER SUCH MAY ARISE, WHETHER UNDER CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY THE TOTAL CUMULATIVE LIABILITY OF COMPANY NAME, ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES AND SUBCONTRACTORS FOR ANY AND ALL CLAIMS ARISING UNDER THIS AGREEMENT, INCLUDING ATTORNEYS' FEES, AND WHETHER CAUSED BY NEGLIGENCE, ERRORS, OMISSIONS, STRICT LIABILITY, BREACH OF CONTRACT OR CONTRIBUTION SHALL NEVER EXCEED \$2,000,000USD (TWO MILLION DOLLARS) IN THE AGGREGATE, HOWSOEVER SO CAUSED.

20. General Terms.

(a) This Agreement together with all matter incorporated by reference constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all prior written agreements, oral discussions, or understanding between them with respect to the subject matter hereof.

(b) If any of the provisions or any portion of the provisions of this Agreement shall be invalid or unenforceable, such invalidity or unenforceability will not invalidate or render unenforceable the Agreement, but rather this Agreement will be construed as if not containing the particular invalid or unenforceable provisions or portion thereof, and the rights and obligations of the parties hereto will be construed and enforced accordingly.

(c) No modifications of this Agreement or waiver of any of its terms will be effective unless set forth in a writing signed by both parties.

(d) No waiver of any provision of this Agreement shall constitute a waiver of any other provision(s) or of the same provision on another occasion.

(e) This Agreement will be governed by and construed in accordance with the laws of the State of California.

(f) COMPANY NAME shall not assign its rights and obligations under this Agreement without the prior written consent of NASRC. For the avoidance of doubt, this shall not limit COMPANY NAME's ability to subcontract services to COMPANY NAME's affiliates.

(g) All provisions of this Agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors-in-interest, transferees, and permitted assigns of each of the parties; provided, however, that this section does not waive the prohibition on assignment of this Agreement.

(h) This Agreement should not be construed as a joint venture, equity venture, partnership, or any other relationship. Either party may not bind the other party to any agreement or obligation or represent that it has the authority to do so without the other party's prior written consent.

(i) COMPANY NAME's performance of this Agreement shall be in accordance with the schedule or deadlines set forth in Exhibit A, provided, however that neither party

shall be liable for any delay or damages which relate to or result from any force majeure events, including, but not limited to any acts of God, terrorist threats or acts, acts of war or other things beyond its reasonable control.

(j) This Agreement may be executed in multiple counterparts, each of which will be deemed an original, but all of which together shall constitute one and the same instrument. The terms which by their nature should survive termination or expiration of this Agreement shall so survive.

(k) Notwithstanding anything contained herein, COMPANY NAME shall retain and may use the general knowledge acquired as a result of its performance of Services hereunder, for its general reference, enhancement of its technical capabilities, and for other purposes. Further, notwithstanding anything to the contrary, all information and material which is in existence prior to this Agreement, or created outside this Agreement, shall be and remain the exclusive property of the originating party, notwithstanding that such information or material may be incorporated in or used to produce any of the work products delivered under this Agreement.

IN WITNESS WHEREOF, the parties have executed or caused to be executed this Agreement on _____, 20__.

North American Sustainable Refrigeration Council

By: _____
Printed Name

Its: _____
(title)

COMPANY NAME

By: _____
Printed Name

Its: _____
(title)

Exhibit A
Roles & Responsibilities by Task

DRAFT