**StdDark_NoTag_RGB**

**MASTER SERVICES AGREEMENT**

**No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_**

This Master Services Agreement (“MSA”), dated as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Effective Date”), is by and between **Puget Sound Energy, Inc.**, a Washington corporation(“PSE”) and **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**, a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Supplier”). PSE and Supplier are referred to individually as a “Party” and collectively as the “Parties”. Unless earlier terminated pursuant to Section 11, this MSA will continue through \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Term”).

In consideration of the mutual covenants and agreements set forth herein, the Parties agree as follows:

### **Section 1. Services**

* 1. Supplier will perform for PSE those services (“Services”) set forth in any one or more statements of work entered into by the Parties under this MSA (each, an “SOW”). Unless otherwise agreed upon by the Parties, each SOW will be in substantially the form attached as Exhibit A. Any such SOW may include the following: (a) detailed description of Services, which may include Deliverables; (b) a schedule for the performance of the Services (and delivery of the Deliverables); (c) compensation details; (d) identity of key personnel who will work on the SOW; and (e) items to be provided by PSE.
  2. “Deliverables” means any and all inventions, processes, methods, concepts, documents, drawings, specifications, calculations, maps, sketches, notes, reports, data, estimates, models, samples, designs, recommendations, results, methods, photographs, computer programs, software code, prototypes, data, and other tangible or intangible items to be delivered by Supplier to PSE in connection with the Services.
  3. “Agreement” means this MSA and all SOWs entered into hereunder and any Information Security Requirements Addendum that may be entered into between the Parties under this MSA (“Security Addendum”).

**1.4** Except as otherwise set forth in an SOW or otherwise provided by PSE in writing, Supplier will provide all facilities, equipment, supplies or other items required to perform the Services and prepare and develop the Deliverables.

### **Section 2. Compensation**

**2.1** Subject to the terms and conditions of the Agreement, PSE will pay Supplier the compensation described in the applicable SOW as full compensation for the satisfactory performance of the Services and delivery of the Deliverables.

**2.2** Supplier will submit invoices to PSE as specified below, as applicable, via the submission method specified in the applicable SOW. Each invoice must reference the SOW number. Supplier will provide any supporting documents as reasonably requested by PSE.

1. Any amounts payable for time and material Services rendered during a calendar month must be submitted within thirty (30) days after the end of such calendar month. Each invoice must set forth a detailed description of the Services performed in such period and the dates and number of hours spent by Supplier’s personnel in performing such Services.
2. Deliverable-based invoices must be submitted within thirty (30) days after PSE’s Acceptance (as defined in Section 3.7) of the applicable Deliverable, and must include a detailed description of the accepted Deliverable.
3. All invoices must include an itemization of reimbursable expenses incurred in connection with the Services performed or Deliverable(s) delivered, as pre-approved by PSE in writing.

PSE reserves the right to reject any invoice submitted more than ninety (90) days after completion of the applicable Services, Acceptance of the applicable Deliverable, or incurrence of the otherwise reimbursable expense.

**2.3** Any sales, service, use, consumption or other similar taxes imposed upon the Services must be separately itemized and added to each invoice unless PSE provides Supplier with appropriate evidence of a tax exemption claimed for the relevant jurisdiction(s). In no event will PSE be obligated to pay or reimburse Supplier for any taxes based on Supplier’s net income, gross receipts or property, or for withholding and payroll taxes with respect to any wages or other compensation payable to Supplier’s personnel.

**2.4** PSE will pay each of Supplier’s invoices, submitted in accordance with this Section 2, within sixty (60) days after PSE’s receipt and verification thereof; provided, however, that if PSE elects to pay Supplier’s invoices within ten (10) days after PSE’s receipt thereof, Supplier agrees that a 2% discount from the invoice pricing will apply. If PSE disputes any portion of an invoice it may withhold payment in respect of such disputed amount, provided it pays the undisputed portion of the invoice within 60 days. PSE will be entitled to set-off any amount due and payable by it from and against amounts held to the credit of Supplier on any account, whether under the Agreement or otherwise. This is without prejudice to any other rights or remedies available to PSE under the Agreement or otherwise.

**2.5** No payment by PSE will constitute acceptance of, or a waiver of PSE's rights with respect to, any Services or any Deliverable not performed or delivered in accordance with the terms of the Agreement.

### **Section 3. Performance by Supplier**

**3.1** Supplier will not subcontract, or use any third-party vendor for, any Services except for those third-party vendors set forth in the applicable SOW (the “Subcontractors”). Any failure to abide by the preceding sentence will constitute a material default of the Agreement and will immediately entitle PSE to terminate this MSA, any underlying SOW, or both. At PSE’s request, Supplier will provide to PSE documentation related to a proposed subcontractor’s qualifications to perform the Services. If Supplier subcontracts Services, Supplier will be responsible for Subcontractor’s compliance with the Agreement and performance hereunder. PSE may require Supplier to remove or replace any Subcontractor whose performance is deemed unacceptable by PSE in its sole discretion.

**3.2** The Parties acknowledge and agree that Supplier will at all times be an independent contractor. The Agreement will not create the relationship of employer and employee, a partnership, joint venture, or other relationship between PSE and Supplier. Supplier will have no authority to bind, obligate, or commit PSE by any promise or representation without the prior written consent of PSE.

**3.3** Supplier will perform the Services and deliver the Deliverables, if any, as specified in the applicable SOW. In performance of the Services, including, where applicable, development of the Deliverables, Supplier will: (a) conform to the highest commercial standards accepted in the Supplier’s industry; (b) maintain complete and accurate records relating to the provision of the Services, including, if applicable, records of the time spent and materials used by Supplier or its Subcontractors in providing the Services (“Books and Records”). Supplier represents and warrants that: (y) PSE will receive good and marketable title to all Deliverables, free and clear of all encumbrances and liens of any kind; and (z) to Supplier’s knowledge, none of the Services, Deliverables, and PSE’s use thereof, infringe, or will infringe, any Intellectual Property Rights (as defined in Section 6.1) of any third party. Supplier will conduct (and will cause all Subcontractors to conduct) general employer screening background checks on all personnel engaged to perform under the Agreement, and will, if requested by PSE, certify compliance.

**3.4** Supplier will fully cooperate with PSE and coordinate its performance of the Services with related work to be performed by PSE or third parties. If any Services depend upon the results of work to be performed by PSE or others, Supplier will, prior to commencing such Services, notify PSE of any actual or apparent deficiencies or defects in such other work that render such other work unsuitable for performance of the Services.

**3.5** Supplier will not hire any employee of PSE to perform any of the Services. Supplier will employ persons to perform the Services who are fully experienced and properly qualified, and do not have disqualifying factors resulting from a background check as referenced in Section 3.3 of this MSA. In certain circumstances Supplier may be required to, and will agree to, assign performance of the Services to certain key personnel specifically listed in an SOW. In such event, Supplier will not (for so long as these individuals remain in Supplier’s employ) reassign or remove any such individual from working under the SOW without PSE’s prior written consent. If any such individual leaves Supplier’s employ or, with PSE’s approval, is reassigned or removed by Supplier, Supplier will replace such individual with personnel approved by PSE in writing.

**3.6** Supplier will promptly pay all Subcontractors and promptly secure the discharge of any liens asserted by Subcontractors. Supplier will furnish to PSE such releases of claims and other documents as may be requested by PSE to evidence such payment and discharge.

**3.7** Acceptance of each of the Deliverables (“Acceptance”) will be determined in accordance with the Acceptance procedures set forth in the applicable SOW. If no Acceptance procedure is set forth in the SOW, then Acceptance will be deemed to have occurred fourteen (14) calendar days after receipt of a Deliverable, unless PSE has notified Supplier of nonconformance with the specifications or other requirements of the SOW. In order for “Acceptance” to have occurred, Supplier must provide PSE an acceptance form in substantially the form provided by PSE, clearly identifying the Deliverable(s) by name, the date of delivery (which must be no earlier than the date the form is delivered to PSE), and including a space for comments by PSE and PSE’s acceptance signature.

### **Section 4. Compliance with Laws**

* 1. Supplier will comply, and will cause all Subcontractors to comply, with all applicable laws, ordinances, rules, regulations, orders, licenses, permits (“Laws”) and other requirements, now or hereafter in effect, of any governmental authority that are applicable to Supplier or the performance of the Services (including such requirements as may be imposed upon PSE and applicable to the Services). Supplier will furnish such documents as may be required to effect or evidence such compliance by Supplier or any applicable Subcontractor.
  2. Supplier will at all times during the Term comply with the terms of PSE’s Responsible Supplier and Contractor Guidelines (“Contractor Guidelines”), which is available at <https://www.pse.com/pages/contractors-and-suppliers/responsible-supplier-and-contractor-guidelines> as well as other supplier policy, guideline or other documentation PSE institutes from time to time, each of which is incorporated herein and made a part of the Agreement as if fully set forth herein.
  3. Supplier will not, and will ensure that its Subcontractors will not, directly or indirectly, offer, promise, authorize or give anything of value to a government official, a political party, a candidate for political office or any other person connected to a government in any way, or authorize the giving of anything of value to a government official, a candidate for political office, or any other person connected to a government in any way, for the purposes of: (a) influencing an act or decision of that government official (including a decision not to act) in connection with PSE's business or in connection with Supplier's business with PSE; or (b) inducing such a person to use his or her influence to affect any government act or decision in connection with PSE's business or in connection with Supplier's business with PSE. Supplier further warrants that neither it nor any of its Subcontractors have offered or given, or will offer or give, any gifts or gratuities to PSE employees, agents, or representatives for the purpose of securing the Agreement or securing favorable treatment under the Agreement. In addition, Supplier will notify PSE immediately if any of its employees, officers, or principals are officials or representatives of any government or are candidates for such government positions. Any breach of this provision by Supplier or any Subcontractor will constitute a material breach of the Agreement and will immediately entitle PSE to terminate this MSA, any underlying SOW, or both.
  4. Except as may be restricted by Law or PSE’s security policies, PSE will grant Supplier access to PSE’s premises or IT systems as necessary to perform the Services. Supplier agrees and acknowledges that certain portions of PSE’s premises may have restricted access and require prior authorization or a PSE designated escort to allow Supplier access. If notified by PSE that access is restricted, Supplier will comply, and will cause its Subcontractors to comply, with any required background checks in addition to those required pursuant to Section 3.3, and drug and alcohol testing of employees. Any such additional screening required under this Section 4.4 will be conducted at PSE’s expense. Supplier understands that no work can begin under the Agreement until these requirements have been met.
  5. PSE has entered into the Agreement with Supplier based upon PSE's reasonable belief that Supplier adheres to the strictest of ethical standards. In connection therewith, Supplier has reviewed PSE's Corporate Ethics and Compliance Code at <http://www.pse.com/aboutpse/CorporateInfo/Pages/Our-Ethics.aspx>.

### **Section 5. Inspection; Examination of Records**

**5.1** Supplier’s performance in connection with any Deliverables to be provided under any SOW will at all times be subject to review by PSE, including a review of all Books and Records related to such Deliverables. The making of (or failure or delay in making) any inspection will not relieve Supplier of responsibility for performance of the Services, including delivery of Deliverables, notwithstanding PSE’s knowledge of defective or noncomplying Deliverables or Services. Supplier will provide PSE sufficient, safe, and proper facilities and equipment for such inspection, and free access to such facilities.

**5.2** During the Term and for a period of three (3) years thereafter, Supplier, upon PSE’s request, will allow PSE or its representative to inspect and copy Supplier’s Books and Records and interview Supplier’s representatives in connection with the performance provision of the Services. PSE will provide Supplier with at least three (3) business days’ advance written notice of the planned inspection. Any such inspection will take place during regular business hours and no more than once annually, except if irregularities are discovered in which case PSE may audit more frequently.

### **Section 6. INTELLECTUAL RIGHTS and Confidential Information**

**6.1** PSE will be the sole owner of all right, title, and interest in and to all Deliverables and all other items authored, collected, conceived, reduced to practice, invented, created, developed, discovered, made, or produced by Supplier in connection with the Services (“Work Product”), together with any and all patent, copyright, trade secret, trademark, and other intellectual property rights in any Work Product (“Intellectual Property Rights”). To the extent applicable, PSE will be deemed to be the “author” of all Work Product and all such Work Product will constitute “works made for hire” under the U.S. Copyright Act (17 U.S.C. §§101 et seq.) and any other applicable copyright law. Supplier hereby waives any and all moral rights (including rights of integrity and attribution) in and to the Work Product. Without limiting the ownership of “works-made-for-hire” stated above, Supplier upon receipt of payment for such Deliverables, assigns and transfers to PSE, without separate compensation, all right, title, and interest (including all Intellectual Property Rights) that Supplier may have or acquire in the Deliverables. Supplier will take such action (including the execution, acknowledgment, and delivery of documents) as may be requested by PSE to effect, perfect, or evidence PSE’s ownership of the Deliverables and Intellectual Property Rights. Without limiting the foregoing, Supplier will obtain, at its expense, such assignments to PSE from Supplier’s employees, agents, and Subcontractors as necessary to effectuate PSE’s ownership rights in and to the Deliverables and Intellectual Property Rights.

**6.2** If Supplier or any Subcontractor uses, provides, or incorporates into any Deliverables any pre-existing items or other tangible or intangible materials of any nature that are not covered by Section 6.1, then PSE is hereby granted a worldwide, non-exclusive, perpetual, irrevocable, royalty free, fully paid up, sub-licensable right to: (a) make, use, copy, modify, and create derivative works of such items; and (b) publicly perform or display, import, broadcast, transmit, distribute, license, or lend copies of such items (and derivative works thereof).

**6.3** Except to the extent the Deliverables contain Confidential Information of PSE (as defined in Sections 6.4 and 6.5), Supplier reserves a permanent, non-assignable, non-exclusive, royalty-free license to use in its performance of services for others any Intellectual Property Rights licensed to PSE in Sections 6.1 and 6.2.

**6.4** All non-public, confidential, or proprietary information of a Party (“Confidential Information”) including information that, by the nature of the circumstances surrounding the disclosure, reasonably would be considered proprietary or confidential, whether disclosed orally or accessed in written, electronic, or other form or media in connection with the Agreement is confidential and, with respect to PSE, PSE Information (as defined below), is solely for the receiving Party’s use in performing under the Agreement. Such Confidential Information may not be disclosed or copied unless authorized by the disclosing Party in writing. Confidential Information does not include information the receiving Party can prove: (a) was or becomes generally available to the public through no breach of an obligation of confidentiality; (b) was already in the possession of the receiving Party at the time it was received in connection with the Agreement without any prior obligation of confidentiality; (c) was lawfully obtained by the receiving Party from a third party without breach of an obligation of confidentially; or (d) was independently developed by the receiving Party without use of or reference to any of the Confidential Information. The receiving Party will: (x) maintain the other Party’s Confidential Information in confidence; (y) use the Confidential Information exclusively for such Party’s performance (or the performance of Subcontractors or third parties engaged by PSE) in connection with any applicable SOW; and (z) will take all precautions necessary to prevent the Confidential Information from being disclosed to any unauthorized third party. Notwithstanding the foregoing, the receiving Party may disclose Confidential Information to the limited extent required by applicable law or by order of a court of competent jurisdiction; provided, however, that to the extent permitted by applicable law, the receiving Party must promptly notify the disclosing Party in in writing in advance of such required disclosure and reasonably cooperate so that the disclosing Party may take appropriate action to prevent or limit the scope of such required disclosure and protect its Confidential Information.

**6.5** “PSE Information” means: (a) any project, design, roadmap, and architecture plans of PSE; (b) any personally identifiable information about persons or entities that Supplier obtains from any source, whether disclosed orally or accessed in written, electronic, or other form or media in connection with the Agreement, which concerns prospective and existing customers or employees of PSE, or any third party PSE has a business relationship with, including names, addresses, telephone numbers, e-mail addresses, social security numbers, credit card numbers, call-detail information, purchase information, product and service usage information, account information, credit information and demographic information; and (c) any aggregate data created or derived from the previously described personally identifiable information. In addition to those disclosure and usage restrictions set forth in Section 6.4, Supplier: (y) will collect, access, use, maintain, and disclose PSE Information solely for Supplier’s use in performing under the Agreement; and (z) will not disclose PSE Information, whether or not it is publicly available.

**6.6** Supplier will return, or at PSE’s option destroy, any and all Confidential Information upon: (a) expiration or earlier termination of this MSA, any underlying SOW, or both; or (b) upon request by PSE. Upon PSE’s request, Supplier will certify in writing the completion of such return or destruction.

**6.7** Except as may be required by Law, neither Party will, without the prior written consent of the other make any news release, public announcement, or place any advertisement or similar communications (collectively, “promotional material”) stating that: (a) PSE and Supplier have contracted for the products or Services specified in the Agreement; or (b) have entered into any business relationship. Use of any PSE name, trademark, or service mark in any promotional materials of Supplier requires PSE’s prior written approval, which PSE may withhold in its sole discretion. In the event PSE approves the use of its name, trademark, or service mark in any promotional materials of Supplier, all of the content must be submitted to PSE’s Corporate Communications Department for review prior to each publication.

### **Section 7. Release, Indemnity and Hold Harmless**

**7.1** Supplier releases and will defend, indemnify, and hold harmless PSE, its subsidiaries and affiliates, and each of their respective shareholders, directors, officers, employees, representatives, and agents from and against any and all claims, costs, losses, liabilities, damages, fines, and expenses of any nature (including reasonable attorneys’ fees and costs) (“Losses”) arising out of or resulting from any claim of a third party, arising out of or occurring in connection with:

**(a)** the fault, negligence, professional error or omission, strict liability or product liability of Supplier or any Subcontractor in connection with the Agreement;

**(b)** a lien asserted by any Subcontractor or any supplier or vendor of Supplier upon any PSE property in connection with the Agreement;

**(c)** infringement or misappropriation of any patent, copyright, trade secret, trademark, or other Intellectual Property Right by any Deliverable or the Services;

**(d)** an act, error, or omission of any Subcontractor that, if done by Supplier, would be a breach or default under the Agreement; or

**(e)** breach or default under the Agreement by Supplier.

Supplier’s indemnification of PSE will not be subject to the insurance coverage specified in Section 8 and will not be capped at any limits of insurance required by the Agreement.

**7.2** In connection with any action to enforce Supplier’s obligations under this Section 7, and to the extent permitted by Law, Supplier waives any immunity, defense or protection under any workers’ compensation, industrial insurance, or similar laws (including the Washington Industrial Insurance Act, Title 51, of the Revised Code of Washington).

**7.3** Supplier acknowledges that the foregoing provisions regarding indemnification and waiver are an important part of the consideration for PSE to enter into the Agreement, and that the foregoing waiver provision has been mutually negotiated.

### **Section 8. Workers’ Compensation and Insurance**

**8.1** At all times during the Term, Supplier will procure and maintain, at its sole cost and expense, insurance with provisions, coverages, and limits as specified below, and will require all Subcontractors providing the Services on its behalf to maintain such insurance as applicable to their performance in connection with the Agreement. Supplier will maintain the insurance and coverages described herein in full force and effect at all times: (i) until all of Supplier’s obligations under the Agreement have been fully performed and all operations of Supplier have been completed; and (ii) in the case of completed operations and product liability, professional liability, and any "claims made" umbrella or excess insurance, until the expiration of three (3) years after the end of the Term, through continued policy renewals or purchase of “tail coverage.”

* 1. Workers Compensation and Employer’s Liability. With respect to all persons performing the Services, Statutory workers’ compensation benefits as required for all employees by Title 51 of the Revised Code of Washington and Employer’s Liability Insurance, including Occupational Disease coverage, in the amount not less than $1,000,000 for bodily injury by accident, $1,000,000 for bodily injury by disease, and $1,000,000 in the aggregate. Such insurance must provide coverage for all persons employed by Supplier who will be performing any aspect of performance of Supplier hereunder.
  2. Commercial General Liability Insurance. On an occurrence-basis, with limits of no less than $1,000,000 per occurrence, $2,000,000 in the aggregate for products/completed operations, and $2,000,000 in the aggregate. The policy will be written on an occurrence basis on a form no less broad than ISO CG 0001 04 13 and will provide coverage for, but not limited to, premises and operations, products and completed operations, independent contractors, personal and advertising injury, medical expenses, broad form property damage, and blanket contractual coverage.
  3. Automobile Liability Insurance. (If applicable) Covering all owned, hired and non-owned vehicles to be used in the performance of the Services in an amount no less than $1,000,000 per occurrence combined single limit for bodily injury (including death) and property damage (including loss of use).
  4. Professional Liability. Professional liability insurance providing coverage for any negligent acts, errors, or omissions of Supplier in the performance of Services with a retroactive date that is no later than the Effective Date of this MSA with limits of not less than $5,000,000 per claim and $5,000,000 annual aggregate.

**8.2** Prior to performing any Services and within ten (10) days after execution of this MSA, Supplier shall furnish PSE with a certificate of insurance and copies of relevant endorsements demonstrating the insurance required in Section 8.1. Subject to Section 8.3(f), within thirty (30) days after any renewal, material modification, or any notice of termination, cancellation, or expiration of any policy of insurance required under the Agreement, Supplier will deliver to PSE a certificate of insurance with respect to any replacement policy. If requested by PSE, Supplier will provide PSE a copy of any policy of insurance required to be maintained under this Section 8, including all endorsements thereto.

**8.3** All policies of insurance required under this MSA must:

**(a)** be placed with an insurance carrier maintaining an AM Best rating of at least A- VII and licensed to do business under the laws of the State of Washington;

**(b)** with the exception of workers’ compensation, employer’s liability, and professional liability insurance, be endorsed to name PSE, its subsidiaries and affiliates, and each of their respective shareholders, directors, officers, employees, representatives, and agents (the “Owner Parties”) as additional insureds;

**(c)** with the exception of workers’ compensation, employer’s liability, and professional liability insurance, state that the “Insured v. Insured” exclusion does not preclude coverage if an additional insured brings a claim against the named insured;

**(d)** be primary insurance with respect to the interests of the Owner Parties; any insurance or self-insurance maintained by any of the Owner Parties will be excess and non-contributory insurance with respect to the insurance required herein;

**(e)** include a provision providing a waiver of the insurer’s right to subrogation against each of the Owner Parties. To the extent permitted by its policies of insurance, Supplier hereby waives all rights of subrogation against each of the Owner Parties;

**(f)** with the exception of workers’ compensation, employer’s liability, and professional liability insurance, apply severally and not collectively to each insured against whom any claim is made or suit is brought, except that the inclusion of more than one insured shall not operate to increase the insurance company’s limits of liability as set forth in the insurance policy; and

**(g)** provide that the policies will not be canceled or their limits reduced or restricted to a level below the requirements of this Section 8 without giving at least thirty (30) days’ prior written notice to the Procurement Department of Puget Sound Energy, Inc., PO Box 97034, (BOT-01O) Bellevue, WA 98009-9734.

**8.4** Supplier will be solely responsible for any premium, deductible, self-insured retention, and similar self-insurance mechanism amounts contained in its insurance program and for any deficiencies in the amounts of insurance maintained. Supplier will have no right to call upon or seek contribution from the Owner Parties for deductibles, self-insured retentions, similar self-insurance mechanisms, or insurance premiums associated with policies of insurance required in this MSA. Any deductible, self-insured retention, or similar self-insurance mechanism greater than $50,000 requires PSE’s prior written approval.

**8.5** The requirements of this MSA as to insurance and acceptability to PSE of insurers and insurance to be maintained by Supplier are not intended to and will not in any way limit or qualify any other obligation of Supplier under the Agreement. Supplier will be held accountable for all insurance coverage, including that of any Subcontractors hired by Supplier. Insurance will be independent of the indemnity provisions of this MSA, and insurance hereunder is not designed solely to guarantee payment of Supplier’s indemnity obligations. The limits of liability set out in this Section 8 may be increased or decreased by mutual consent of the Parties, which consent will not be unreasonably withheld by either Party, in the event of any factors or occurrences, including changes in work scope, substantial increases in the level of jury verdicts or judgements, or the passage of state, federal, or other governmental compensation plans, or Laws that would materially increase or decrease Supplier’s and/or PSE’s exposure to risk.

**8.6** Supplier will comply with all OSHA Recordkeeping and injury reporting requirements. Supplier will report to PSE within 24 hours any OSHA recordable injuries that occur while performing work on behalf of PSE. A “recordable injury” includes any injury that results in treatment beyond first aid, restricted workdays, and/or lost workdays. Supplier must provide the following details via email to [safety@pse.com](mailto:safety@pse.com): Supplier’s formal legal name, date and location of incident, a short description of the incident, and whether the recordable injury includes one or more lost workdays (not including the date of injury).

### **Section 9. Changes**

**9.1** Subject to Section 9.2, PSE may at any time by written notice thereof to Supplier, without liability or penalty, modify any Services as defined in any SOW (including additions to or deletions from any Services, suspension of performance and changes in the schedule, and location of performance) with or without cause effective immediately or as otherwise specified in such notice.

**9.2** If any change under Section 9.1 would result in an increase or decrease in Supplier’s cost for performance of the Services or delivery of the Deliverables, the Parties will follow the change procedure set forth in the applicable SOW.

### **Section 10. WARRANTIES**

**10.1** Supplier warrants that all Services will be performed in a professional manner with professional skill and care and in compliance with the terms and conditions of the Agreement.

**10.2** Each Party warrants to the other that: (a) it has full power and authority to enter into and to perform its obligations under the Agreement; (b) the Agreement does not violate any Law or breach any other agreements to which it is a party or is otherwise bound; and (c) it will comply with all Laws in performing its obligations under the Agreement.

**10.3** EXCEPT AS EXPRESSLY SET FORTH IN THE AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, NEITHER PSE NOR SUPPLIER MAKES ANY OTHER WARRANTIES WITH RESPECT TO THE AGREEMENT, WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED, AND EACH PARTY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USAGE OF TRADE, WITH RESPECT TO THE AGREEMENT.

### **Section 11. Termination**

**11.1** PSE may at any time, by written notice thereof to Supplier, terminate this MSA, any underlying SOW, or both, as to all or any portion of the Services not then performed, whether or not Supplier is then in breach or default. Upon receipt of any such notice of termination Supplier will, except as otherwise directed by PSE, immediately stop performance of the Services to the extent specified in such notice and deliver to PSE any work in process or Deliverables, regardless of their level of completion.

**11.2** In the event of termination pursuant to Section 11.1 for PSE’s convenience, upon PSE’s review and approval of a fully supported invoice to be submitted within thirty (30) days after the date of termination, an equitable adjustment will be made in the compensation payable to Supplier under the Agreement, provided that such compensation as so adjusted will in no event exceed a percentage of the total compensation otherwise payable under the Agreement equal to the percentage of the Services satisfactorily completed, including Deliverables delivered, at the time of termination. Further, Supplier will not be entitled to any reallocation of cost, profit or overhead. Supplier will not in any event be entitled to anticipated profit on Services not performed on account of such termination. Supplier must use its best efforts to minimize the compensation payable under the Agreement in the event of such termination.

**11.3** The obligations of the Parties under Sections 5, 6, 7, 8, 10, 11, and 12, and all provisions of the Agreement that may reasonably be interpreted or construed as surviving the completion, termination, expiration, or cancellation of the Agreement will survive the completion, termination, expiration, or cancellation of the Agreement.

### **Section 12. Miscellaneous**

**12.1** Any notice, request, designation, direction, statement, or other communication under the Agreement must be made in writing and delivered by courier or registered or certified mail, return receipt requested, postage paid to the addresses for legal notices in the signature block hereunder. Notices related to SOWs will be sent via email to the Parties’ contacts identified in the applicable SOW (with a hard copy to the legal notice recipient if appropriate), return receipt requested. All notices will be effective upon receipt. Either Party may change its address by giving the other Party notice of such change in accordance with this Section 12.1.

**12.2** Supplier may not (by contract, operation of law, or otherwise) assign, transfer, delegate, or subcontract any of its rights or obligations under the Agreement without the prior written consent of PSE. For the purposes of the foregoing, any transfer of a controlling interest in Supplier (e.g., by a transfer of securities or otherwise) will not be deemed an assignment of the Agreement. Any purported assignment or delegation in violation of this Section 12.2 will be voidable at PSE’s option. No such assignment will relieve Supplier from any of its obligations hereunder. The Agreement is binding on and inures to the benefit of the Parties and their successors and permitted assigns.

**12.3** No waiver by any Party of any of the provisions of the Agreement will be effective unless explicitly set forth in writing and signed by the Party so waiving. Except as otherwise set forth in the Agreement, no failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from the Agreement will operate or be construed as a waiver hereof, will any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

**12.4** No Party will be liable or responsible to the other Party, nor be deemed to have defaulted under or breached the Agreement, for any failure or delay in fulfilling or performing any term of the Agreement (except for any obligations to make payments to the other Party hereunder), when and to the extent such failure or delay is caused by or results from the following (each, a “Force Majeure Event”): (a) acts of God; (b) epidemic, flood, fire, earthquake, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest; (d) government order or law; (e) actions, embargoes, or blockades in effect on or after the date of the Agreement; (f) action by any governmental authority; (g) national or regional emergency; (h) strikes, labor stoppages or slowdowns, or other industrial disturbances; or (i) shortage of adequate power or transportation facilities. The affected Party must give notice to the other Party (“FME Notice”) within twenty-four (24) hours of the Force Majeure Event, stating the period of time the occurrence is expected to continue. The affected Party must use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized, and will resume performance of its obligations as soon as reasonably practicable after the removal of the cause. Notwithstanding anything herein to the contrary, PSE will not be liable for payment for any Services or Deliverables it does not receive due to a Force Majeure Event affecting Supplier's performance of its obligations under the Agreement.

**12.5** Each Party acknowledges and agrees that a breach or threatened breach by a Party of any of its obligations under Section 6 would give rise to irreparable harm to the other Party for which monetary damages would not be an adequate remedy. In the event of such breach or threatened breach the non-breaching Party will, in addition to all other rights and remedies that may be available to it at law, at equity, or otherwise, be entitled to equitable relief (including injunctive relief or specific performance) without posting bond in addition to any other available remedies, including damages. In any litigation concerning a breach of Section 6, the prevailing Party will be entitled to recover all reasonable expenses of litigation, including reasonable attorney fees at trial and on any appeal.

**12.6** Except as otherwise specifically stated in the Agreement, the rights and remedies of a Party set forth in any provision of the Agreement are in addition to and do not in any way limit any other rights or remedies afforded to that Party by any other provision of the Agreement, or by law.

**12.7** This MSA together with any related exhibits and SOWs set forth the entire agreement and supersedes any and all prior and contemporaneous oral or written communications, understandings and agreements with regard to the Services and development of the Deliverables, including, for the avoidance of doubt, any confidentiality agreement between the Parties. In the event of a conflict between this MSA and any SOW, the terms of this MSA will prevail unless an SOW expressly provides that certain provisions therein will control over certain specified provisions in this MSA. In theevent of a conflict between this MSA and a Security Addendum, the terms of the Security Addendum will govern except that the confidentiality provisions in the Security Addendum are intended to supplement the confidentiality and security obligations of Supplier as set forth in this MSA. No amendment or modification of any provision of the Agreement will be valid unless set forth in a written amendment signed by the Parties.

**12.8** If any term or provision of the Agreement is found by a court of competent jurisdiction to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability will not affect any other provision hereof or invalidate or render unenforceable such provision in any other jurisdiction.

**12.9** Neither Party will commence or prosecute any action, suit, proceeding, or claim arising under or by reason of the Agreement other than in the state and federal courts sitting in King County, Washington. The Parties hereby irrevocably consent to the jurisdiction of the courts of the State of Washington with venue laid in King County, Washington and of the U.S. District Court for the Western Division District of Washington in Seattle, Washington.

**12.10** The Agreement will be construed as if prepared by the Parties. Accordingly, any rule of law or legal decision that would require interpretation of any ambiguities in the Agreement against the Party that has drafted it is not applicable and is waived. The Agreement will be interpreted, construed and enforced in accordance with the laws of the State of Washington without reference to its choice of law rules.

**12.11** The headings used in the Agreement are for convenience and ease of reference only and will not be used to construe, interpret, expand or limit the terms of the Agreement. The words “include,” “includes,” and “including” are to be read as if they were followed by the phrase “without limitation.” This MSA, any underlying SOW, or both may be executed in one or more counterparts, each of which will be deemed an original, and all together will constitute the Agreement in its entirety. Notwithstanding anything to the contrary in Section 12.1, a signed copy of this MSA or any underlying SOW or Security Addendum, or any amendment thereto, delivered by facsimile, email, or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy.

*--Signature page follows—*

Intending to be legally bound, PSE and Supplier have caused their duly authorized representatives to execute this Master Services Agreement in the space provided below.

**PSE:** **Supplier**:

**Puget Sound Energy, Inc. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

By: By:

Printed Name: Printed Name:

Title: Title:

Date: Date:

Address for Legal Notices: Address for Legal Notices:

Puget Sound Energy, Inc.

Attn: Procurement

PO Box 97034, (BOT-01G)

Bellevue, WA 98009-9734

**EXHIBIT A**

**STATEMENT OF WORK**