

Action Target Inc. Box 636, Provo, UT 84603-0636 801-377-8033 FAX: 801-377-8096

Clearwater Police Department

Quotation: 94641 Clearwater, FL 33756-5520

Resulting Printed: 2016-Jul-21

Included Items:

| 1 | 77'8" long Tota | l Containment | Trap | (TCT) Syst | tem to include: | | 356,000.00 |
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|---|-----------------|---------------|------|------------|-----------------|--|------------|

- -TCT 4D and 4/4 design -- Rated for Rifle use
- -All ballistic Plates, Joint Strips, Chambers
- -Legs, Supports and hardware under trap (concrete pad provided by others)
- -Roof and Boom System
- -Screw Conveyor Lead Collection System
- -Full Factory Installation
- -Shipping

- -New wiring and air lines for 16 targets
- -New Protective Raceway behind the keewall for air lines and wires
- -Installation materials
- -Full Factory Installation
- -Shipping

ADDITIONAL NOTES:

- -We will use the existing Air Compressor, Laptop Computer and SmartRange Control Software, Air Command ULTRA hand held wireless remote, and Target Control Module (TCM).
- -Owner or Contractor responsible for the removal of the existing system. ATI will reuse the existing 16 targets.
- -Target system must be shipped and reinstalled at the same time as the bullet trap. Price will go up if it is done at a separate time.

-Highly recommended with all turning target systems in the southeastern states. -Connects to the air compressor and helps significantly lessen the amount of moisture in the airlines that goes down range to the targetry. -Helps prolong the functionality and life cycle of the target system and parts within the targetry. -Full Factory Installation -Shipping NOTE: -This will be connected to your existing air compressor. -Must be shipped and installed at the same time as the Target System and Bullet Trap for this price. -70' long -Motors, Rails, Legs, Trolleys -Handheld controller w/ 15' harness and 100' harness -Full Factory Installation -Shipping NOTE: -Must be shipped and installed with the bullet trap and turning target system for this price -(1) row of 4' ceiling baffles that are 3/8" AR500 steel -Ceiling Deflector in front of baffle row -Full Factory Installation

NOTES:

-Shipping

- -This package was added after design changed. Before the concrete baffle stopped before the bullet trap and was low enough that no bullets could escape through the space. Now the concrete baffle is over the trap and there is a gap where bullets could escape.
- -Must be shipped and installed at the same time as the bullet trap for this price.

Total

416,500.00

Payment Terms: Schedule of Values

Shipping Terms:

Delivered

Installation Terms:

Full Factory Installation

Terms and Conditions:

You must reference the Order Number above on your purchase order to secure best price. Price will be honored for 60 days from the quotation date if no other date is specified herein. Action Target reserves the right to adjust installation costs based upon the actual site conditions encountered. Unless explicitly itemized, price does not include taxes, bonds, fees, assessments, licenses, mandatory wage requirements or other regulatory costs which may be applicable to the job site.

Comments:

This is a Budgetary Quote for a Total Containment Trap (TCT) and additional targets for Clearwater Police Department's outdoor range. This will be for the left side of the range (as you are looking down range towards the bullet trap). This is based on the TCT being 77'8" wide, and rated for Rifle use.

Exemptions -- Owner or Contractor to provide the following:

- 1) Equipment off-loading of ATI materials upon delivery at job-site, and placement near the installation area.
- 2) All dirt work (grading, leveling, drainage, etc).
- 3) All concrete slabs, footings or walls.
- 4) All electrical outlets, conduit, junction boxes or disconnects.
- 5) All buried conduit with pull strings (per Action Target plans)
- 6) A protective railroad tie kneewall in front of the turning target system per Action Target plans.
- 7) Control Room(s) for targetry controls and air compressor. Must be in direct line of site of targetry.
- 8) Any light fixtures and lighting, if needed.
- 9) Any covered areas, baffles or structures where shooters are shooting from.
- 10) Engineered or Stamped drawings.
- 11) Building permits, special licenses, additional saftey regulations or insurance requirements, bonds, or any other special fees we are not aware of at this time.
- 12) Removal and disposal of any existing equipment.
- 13) Dumpster/Disposal costs. Dumpster provided by others.

Owner and Contractor MUST provide forklift and scissor lift access to the ranges for the entire time of the installation of the shooting range equipment. Price will go up for longer install time if ATI installers can not use a forklift or scissor lifts.

Items above must be provided prior to arrival of ATI installer(s) to avoid any delays in the installation and any re-mobilization fees.

A complete review of scope and contracts needs to occur prior to accepting any order to make sure all items

| are | fully | underst | ood | and | covered | |
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NOTE: Only Action Target standard products are quoted. Any customization will be an additional cost.

This (Proposal/Submittal/Document) and all drawings, specifications and other design documents contain proprietary information and is submitted for evaluation purposes, and shall not be disclosed, duplicated or reproduced, in whole or in part, without prior written consent of an authorized representative of Action Target Inc.

Proposal price is based on Action Target's Full Install Terms and Conditions (See See Action Target's Terms and Conditions).

| Countersigned: | | | | | |
|----------------|------------------------------------|---|--|--|--|
| Georg Mayo | ge N. Cretekos | | | | |
| City (| of Clearwater, Florida | | | | |
| | am B. Horne II Manager | - | | | |
| Appro | oved as to form: | | | | |
| | new M. Smith tant City Attorney | | | | |

| Attest: | | | |
|---|------------------|--|--|
| Rosemarie Call City Clerk | _ | | |
| Action Target Inc. | | | |
| Shayne Gibbons Action Target Chief Financia | al Officer (CFO) | | |



ACTION TARGET, INC. Full Install Terms and Conditions Agreement

The terms and conditions listed below shall supersede and replace all conflicting language contained in the Customer's contractual documents and take precedence over all other terms and conditions therein.

DEFINITIONS. Whether Customer is an owner, tenant, or higher-tiered contractor for the Project (collectively referred to in these terms and conditions as "Customer"). ATI and Customer are sometimes collectively referred to herein as the "Parties," and individually as a "Party." Customer and its agents, partners, managers, members, shareholders, officers, directors, employees, affiliates, assigns, predecessors, successors, licensees, invitees, tenants, architects, engineers, contractors, suppliers, sureties, insurance carriers or anyone directly or indirectly employed by any of them are referred to collectively herein as the "Customer Parties." ATI and its agents, employees, affiliates, assigns, successors, subcontractors, suppliers, sureties, insurers or anyone directly or indirectly employed by any of them are referred to collectively herein as the "ATI Parties." ATI Proposal is the work and/or material description, pricing information, preliminary drawings, and exceptions submitted to the Customer to satisfy the Customer's request for proposal.

PAYMENT. The compensation to be paid to ATI for the Work and Change Events will be in accordance with the proposed or agreed upon Schedule of Values/Payment Milestones between the Parties. Time is of the essence for all payments to be made to ATI pursuant to this Agreement. At any time during the course of the Project and upon ATI's request, Customer shall provide ATI with satisfactory proof and adequate assurances that Customer has obtained and has the necessary funds available to pay the entirety of the Agreement Price, plus any additional costs associated with Change Events (Section 7 below). Waivers and releases to be given by ATI to Customer for payment shall be on the form(s) required by applicable law, if anv. Customer shall not have the right to directly pay ATI's subcontractors and/or suppliers, if any.

ATI DRAWINGS AND PROPRIETARY/CONFIDENTIAL INFORMATION. On or after the submittal of the ATI Proposal, ATI will provide or will have provided Customer with preliminary and conceptual ATI drawings ("ATI Preliminary Drawings") which generally reflect the ATI Work (defined in Attachment 1). Based on the approved ATI Preliminary Drawings. ATI will prepare final drawings (the "ATI Final Drawings") which generally identify the ATI Work (defined in Attachment 1). Upon receipt of the ATI Final Drawings, Customer shall promptly review and approve the ATI Final Drawings within fourteen (14) days (in writing and in the form of the Notice to Proceed—sent by ATI to the Customer). Should (i) Customer request any changes to the ATI Final Drawings, or (ii) any governing authority require changes be made to the ATI Final Drawings as a condition of their approval, or (iii) ATI is required to make changes to the ATI Final Drawings, ATI will perform this additional work, but the Agreement Price and the time for performance shall be adjusted and treated as a Change Event (defined in Section 7). Customer understands and agrees that ATI will not schedule the fabrication of any materials and/or equipment that are the subject of the ATI Final Drawings unless and until (i) Customer has approved the ATI Final Drawings by signing and returning the Notice to Proceed (without changes having been made thereto), along with (ii) the next payment in accordance with the Schedule of Values/Milestone Payment schedule.

Customer understands and agrees that while Customer may have provided or may hereafter provide ATI with certain plans and specifications relating to the construction of the Customer Work (Attachment 1), the drawings, designs and plan sheets and the specification sections pursuant to which the ATI Work (defined in Attachment 1) will be generally performed are the ATI Preliminary Drawings and the ATI Final Drawings (collectively referred to as the "ATI Drawings"), and no others. The ATI Drawings shall only be used with respect to ATI's Work for the proposed or awarded Project. Customer understands and agrees that ATI is the author and owner of the ATI Drawings and ATI shall retain all common law and statutory rights therein, including without limitation, all copyrights.

During ATI's performance of its Work, Customer may be provided copies of or acquire access to certain technical data, specifications, drawings, designs or other confidential and proprietary information of ATI ("Proprietary/Confidential Information"), including without limitation the ATI Drawings. Such Proprietary/Confidential Information shall remain the sole and exclusive property of ATI. Customer may only use the Proprietary/Confidential Information to the extent necessary with respect to the Work. Customer shall not (i) provide the Proprietary/Confidential Information to any third parties (including without limitation, contractors, subcontractors, or design professionals, or agents, employees, or advisors of any of the foregoing) without the prior written consent of ATI, nor (ii) use the Proprietary/Confidential Information to aid, assist, help, enable or direct any party other than ATI to install, design, develop or otherwise perform any portion of the Work. This paragraph shall survive the termination or expiration of this Agreement.

COMMENCEMENT AND PERFORMANCE OF THE WORK. SECTION 4.

Fabrication or Manufacture of the ATI Materials. Customer understands and agrees that ATI will not begin to fabricate or manufacture the ATI materials and/or equipment ("Manufacturing") required by the ATI Drawings (defined in Section 3) unless and until each of the following has occurred: (i) Customer notifies ATI of the date Customer expects to complete the Customer

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Work (discussed in Attachment 1), (ii) Customer has fully paid all required payments per the Schedule of Values/Milestone Payments, plus any additional costs associated with Change Events (Section 7 below), (iii) Customer has approved the ATI Final Drawings by executing and returning the Notice to Proceed, and (iv) Customer provides satisfactory evidence to ATI that Customer has obtained any and all permits, licenses, inspections and/or governmental approvals necessary to allow the ATI Work to be performed. Manufacturing of materials is estimated to be complete approximately twelve (12) weeks after ATI's receipt of the Notice to Proceed, along with all required payment(s).

Shipping of the ATI Materials. Customer understands and agrees that ATI will not schedule shipping and/or delivery of the ATI Materials to the Project site ("Shipping") unless and until each of the following has occurred: (i) Customer has returned the "Shipping Notice" (sent by ATI to Customer), and, (ii) Customer has paid the next payment in accordance with the Schedules of Values/Milestone Payment schedule. Should Customer request ATI to delay shipping of the ATI Materials, Customer shall pay ATI a weekly storage fee (as a Change Event) of One Hundred and No/100 Dollars for every Fifty Thousand and No/100 Dollars (\$50,000.00) of Agreement Price. By way of an example, if the Agreement Price is Two Hundred Thousand and No/100 Dollars (\$200,000.00), Customer shall pay ATI a storage fee of Four Hundred and No/100 Dollars (\$400.00) per week (i.e., \$200,000 + \$50,000 x \$100.00 = \$400.00 per week) that Customer requests ATI to delay shipping. All storage fees must be paid in full before shipping of ATI Materials.

Installation at Project site. If installation of the ATI Materials is included as part of ATI's Work (see, Attachment 1), ATI will commence the installation within an agreed upon number of business days of the last of the following to occur: (i) the date Customer has fully, finally and materially completed the physical construction of all Customer Work (see Attachment 1), such that a) the Project site is fully prepared, available, and equipped so that the ATI Work can timely commence and proceed with the continuous, uninterrupted and unimpaired installation of the ATI fabricated ATI Materials at the Project site, and b) ATI can be provided continuous, uninterrupted, unimpaired and complete access to the Project and can perform and complete the ATI Work without interference from the Customer Parties or others, and (ii) the date the fabricated ATI Materials are delivered to the Project site. Irrespective of the hours that ATI may perform its Work, Customer shall make the Project available for the ATI Work, Monday through Sunday (holidays included), for no less than ten (10) hours per day.

Customer understands and agrees that its assistance and cooperation is essential to ATI's successful and timely completion of the ATI Work. Customer and its agents shall be available upon one (1) business days' notice to answer and give approval of any issues or questions that may arise during ATI's performance of the Work. Should Customer be unavailable, ATI shall be entitled to a Change Event (Section 7 below).

SECTION 5. SUBSTANTIAL COMPLETION AND REPAIR WARRANTY. The term "Substantial Completion" means that point in time when all or a portion of the Work is sufficiently complete so that the Customer can use all or a portion of the ATI Work for its intended use or purpose. Within ten (10) calendar days after Substantial Completion, Customer shall (i) carefully inspect the ATI Work, and (ii) if Customer believes that the ATI Work does not meet the requirements set forth in this Agreement, Customer shall give ATI written notice of the claimed non-conformance or defect. Customer's failure to timely give written notice of any non-conformance or defect shall be considered as evidence that the ATI Work is acceptable to Customer as performed and installed.

The performance of ATI's Work will be in compliance with industry standards and applicable building codes as they may apply to ATI's specific craft or trade and will be evaluated by any Customer Parties or others and any trier of fact pursuant to a "reasonable" or "objective" standard. Regardless of any statutory or contractual obligation to the contrary, ATI shall guarantee and warrant the ATI Work for a period of one (1) year from the date of Substantial Completion ("Repair Warranty Period"). ATI shall repair or replace (at ATI's election and at its cost), any Work that fails to materially comply with the ATI Drawings and which proves to be defective or non-conforming in materials or workmanship (the "Repair Warranty"), provided: (i) Customer has fully paid ATI for the Work and (ii) Customer gives written notice ("Repair Notice") to ATI within the Repair Warranty Period, as set forth below.

Should Customer believe that any part or portion of the ATI Work is defective and/or non-conforming and subject to the Repair Warranty provided herein, Customer shall: (i) give a Repair Notice (defined above) identifying the specific part or portion of the Work that is allegedly defective and/or non-conforming, and (ii) if the allegedly defective or non-conforming portion of the Work can be returned to ATI, obtain a Return Authorization from ATI before returning the same. Should the Work subject to the Repair Notice, a) be returned to ATI without a Return Authorization, b) be received by ATI after the Warranty Period, c) be found to not be defective or found by ATI to conform to the ATI Drawings, or d) appear to be damaged or rendered inoperative due to any of the Exclusions set forth below, ATI shall, at Customer's expense, return the part to Customer, with no repair or replacement having been made. Should Customer elect to have ATI replace the damaged part (at Customer's expense), ATI shall attempt to make such replacement parts available, at ATI's then current retail price.

ATI shall have no obligation to repair or replace the ATI Work (pursuant to the Repair Warranty) if such Work was (collectively, "Exclusions"): i) Improperly used by Customer or others (i.e., exceeded the operational and/or functional scope for which it was intended), ii) Not properly maintained by Customer (regular maintenance items to be performed by Customer include, but are not limited to the following, light bulbs, circuit breakers, batteries, filters, oil, grease, any consumable items, etc.), iii) Modified or altered by Customer or others during and/or after implementation of Work (including the removal of ATI's logo(s), badging and/or other branding from the ATI materials), iv) Serviced by any third party, v) Damaged or rendered inoperative as a result of: The acts or omissions of Customer or others, including, but not limited to: Failure to implement recommended protection and/or armoring measures and Failure to comply with the manufacturer's printed instructions; Acts of nature, including, but not limited to, lightning, flood, fire, earthquake, etc.; Primary or secondary bullet strikes to or from non-impact surfaces (e.g., ceiling or wall

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baffles, moving target tracks, target trolleys, target stands, target holders, etc.); Inadequate, incorrect, or unstable electricity supply; Exposure to environmental conditions that exceed the scope of the product's design, vi) Not operated in compliance with all applicable building, mechanical, plumbing, and electrical codes, vii) Supplied and/or installed by any third party, viii) Damaged, in whole or in part, due to Customer's failure to give ATI timely notice of the alleged defect or non-conforming portion of the Work; or ix) Covered under a manufacturer's warranty.

ATI'S REPAIR WARRANTY DOES NOT INCLUDE ANY OTHER WARRANTIES, AND CUSTOMER HEREBY WAIVES, RELEASES AND DISCLAIMS ANY AND ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THIS WARRANTY IS NOT ASSIGNABLE OR TRANSFERABLE BY CUSTOMER, BY OPERATION OF LAW, OR OTHERWISE. ANY ASSIGNMENT OR TRANSFER OF THE REPAIR WARRANTY SHALL VOID THE REPAIR WARRANTY. THIS REPAIR WARRANTY CAN ONLY BE MODIFIED BY WRITTEN AGREEMENT BETWEEN THE PARTIES.

SECTION 6. OWNERSHIP OF THE WORK AND RISK OF LOSS. Title to the Work shall be and remain in ATI until the Agreement Price, plus any additional costs associated with Change Events (Section 7 below), has been fully paid, at which time title to the Work shall pass to Customer. Additionally, ATI shall retain ownership of any excess ATI materials not incorporated into the Project, even if such excess ATI materials were delivered to the Project. Unless specifically included as "spare parts" or "extra materials" on Attachment 1, no such spare parts or extra materials are included as part of the Work.

Notwithstanding anything herein to the contrary, Customer shall be fully responsible and liable for the risk of loss, cost and expense and any damage to the ATI Materials from the earlier of the date (i) the ATI Materials are delivered to the Project site, or (ii) ATI releases the ATI Materials to Customer or its agent for pick-up or shipping. Upon receipt of the ATI Materials, (i) Customer shall inspect the ATI Materials and immediately notify ATI of any damage or shortage, (ii) store and safeguard the ATI Materials until such time as ATI arrives at the Project site, and (iii) photograph the ATI Materials and return such photographs to ATI to confirm that the shipment matches all applicable Bills of Lading (only if shipping is provided by ATI as part of the Work). Customer shall be liable and financially responsible for any damage to the ATI Materials a) that occurs during shipping (if such shipping is provided by ATI as part of the Work), if not immediately communicated to ATI upon receipt of the ATI Materials, and/or b) which occurred after Customer's receipt of the ATI Materials (including theft).

SECTION 7. CHANGE EVENTS. Should any of the following events occur (collectively referred to as "Change Events"), the Work Schedule shall be extended by two (2) work days for each work day lost, and if ATI will incur additional costs as a result of a Change Event, the agreed upon Price shall be increased by no less than the on-site and off-site cost of the additional work, materials and/or equipment that ATI may provide as a result of such Change Event (including insurance, bond costs and taxes, if applicable), plus twenty percent (20%)(ten percent (10%) for overhead and ten percent (10%) for profit), or lump sum, at ATI's election: (i) Customer fails to perform the obligations and responsibilities required of Customer in the Agreement, (ii) if Customer objects to any consultant, subcontractor, or supplier selected by ATI, Customer shall pay the reasonable increases and costs ATI may incur in obtaining a replacement consultant, subcontractor, or supplier, (iii) Customer Parties or others (including any governing body) make alterations or changes to the ATI Final Drawings, the Customer Plans or Specifications or to the Work Schedule, or ATI's Work is changed, modified or altered by the Customer Parties or others in any way, (iv) ATI is required to provide additional work and/or materials, beyond those reflected in the ATI Preliminary Drawings, (v) ATI's Work is suspended, delayed, interfered with, disrupted and/or accelerated by the acts, omissions or requests of any of the Customer Parties or others, (vi) the Customer Work is not timely completed, or (vii) for any other reason beyond ATI's control. Change Events do not include events which are caused by the material uncured default of ATI.

SECTION 8. HAZARDOUS ENVIRONMENTAL CONDITIONS. ATI has advised Customer that (i) a hazard of indoor shooting is a potentially high level of airborne lead and other pollutants and contaminants, including carbon monoxide and smoke (collectively, "Hazardous Environmental Conditions"), (ii) the primary purpose of an indoor ventilation system, bullet recovery system and/or other environmental systems (collectively, "Ventilation System") is to remove or reduce such Hazardous Environmental Conditions created during the firing of weapons from the respiratory zones of those occupying the range, (iii) Customer should strongly consider the use of a Ventilation System (which ATI offers for sale) along with its indoor shooting range, and (iv) if a Ventilation System is not installed, the Hazardous Environmental Conditions can cause serious bodily injury to those occupying the range, as well as property damage. Customer understands and agrees that ATI shall not be responsible for any Hazardous Environmental Conditions at the Project site, including those caused by, attributable to or arising out of the acts, omissions or failure of Customer, including, but not limited to, Customer's failure to a) install a Ventilation System, and b) to follow ATI's recommended maintenance procedures and schedule.

In the event ATI is providing an Evaporative Ventilation System as part of the ATI Work, Customer acknowledges and agrees the air conditioning component of such Ventilation System will include an evaporative cooling system rather than a refrigerant based mechanical cooling system. Accordingly, where high outdoor temperatures and/or high humidity exist, the air temperature in the facility may not cool down to the level of comfort that could be achieved with a refrigerant based mechanical cooling system, even though the evaporative cooling system is functioning in accordance with applicable laws. The Customer agrees and acknowledges these limitations are inherent in an evaporative cooling system, and agrees that the existence of such conditions shall not be a defect in ATI's Work.

SECTION 9. ARMORING MEASURES. To the extent included as part of the ATI Work, certain areas may be designated ballistic or armored for "point blank" type impacts ("Armoring"). If provided, this Armoring may include: A "Staging Area," that is non-ballistic rated (unless otherwise specified in Attachment 1). The Staging Area is not intended nor designed to be a Firing BY INITIALLING BELOW, CUSTOMER AND ATI ACKNOWLEDGE AND AGREE TO THE PROVISIONS SET FORTH ON THIS PAGE

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Line Area or a Tactical Training Area (defined below), and weapons should never be discharged from such Staging Area(s). If included as part of the ATI Work (identified in Attachment 1): a "Firing Line Area," consisting of those ballistic panels identified in Attachment 1, with Armoring as specified in Attachment 2. The Firing Line Area is a fixed location from which weapons are to be discharged; and/or a "Tactical Area," consisting of those ballistic panels identified in Attachment 1, with Armoring as specified in Attachment 2. A Tactical Area is designed to allow weapons to be discharged at various locations, both down-range and cross-range (under supervision by a range safety officer and/or range master).

To the extent the ATI Work includes such Armoring, Customer acknowledges and agrees that: i) the existence of Armoring cannot and does not fully eliminate the risks and/or hazards inherent in indoor and outdoor shooting ranges, ii) in the event Armoring is struck by a bullet of any caliber ("Bullet Strike"), Customer shall immediately cease the use of the Firing Line Area and/or Tactical Area where such Bullet Strike occurred, and replace the Armoring; and iii) ATI shall not be responsible for any hazards at the Project site, including, but not limited to, those caused by, attributable to or arising out of the presence of Armoring and/or the acts, omissions or failures of any Customer Party (or others) to observe proper safety procedures, including, among others (a) Customer's failure to terminate the use of any area in the event of a Bullet Strike to Armoring, or (b) if a range is used for purposes beyond its intended use (e.g., the use of weapons or ammunition in a given area that exceed the max velocity and/or max energy as specified in Attachment 2), or (c) the modification or alteration of the Armoring in any manner whatsoever.

SECTION 10. RUBBER BERM TRAPS. To the extent included as part of the ATI Work, certain rubber berm traps ("Rubber Berm Traps") may be designated as "treated" or "non-treated" with fire-retardant. ATI's treated Rubber Berm Trap carries an ASTM E-108 Class A fire rating when properly treated and maintained. To the extent that such Rubber Berm Traps are provided, Customer acknowledges and agrees that:

- ATI has advised Customer that (i) a hazard of indoor and/or outdoor shooting is a potentially high risk of fire, (ii) the primary purpose of treating Rubber Berm Traps with fire-retardant is to reduce the risk of fire created during the firing of weapons, (iii) Customer should strongly consider the use of Class A fire rated and treated Rubber Berm Traps (which ATI offers for sale) as a component of its shooting range, and (iv) if treated Rubber Berm Traps are not installed, the risk of fire may be increased, which may cause serious bodily injury to those occupying the range, as well as property damage. Customer understands and agrees that ATI shall not be responsible for any fire at the Project site, including those caused by, attributable to or arising out of the acts, omissions or failure of Customer, including, but not limited to, Customer's failure to a) install a Class A fire rated and treated Rubber Berm Trap, and/or b) to follow ATI's recommended maintenance procedures and schedule; and
- The treatment of Rubber Berm Traps with fire-retardant (including ATI's Class A rated fire retardant) does not fully eliminate the risks and/or hazards inherent in indoor and outdoor shooting ranges, including the risk of fire.

SECTION 11. CUSTOMER'S INDEMNITY OBLIGATIONS.

Customer Indemnity. To the fullest extent permitted by law, Customer, on behalf of itself and the Customer Parties, shall indemnify, defend and hold the ATI Parties harmless, of, from and against any and all claims, damages, losses, demands, lawsuits, judgments and costs of suit or defense, including attorney fees (collectively "Claims"), whether for personal injury, property damage, direct or consequential damage, Hazardous Environmental Conditions, Preexisting Project Conditions, Armoring or economic loss directly or indirectly arising out of, or alleged to have arisen from, caused by, or resulting from (in whole or in part) (1) the Customer Work or any part thereof or (2) any act or omission of the Customer Party or anyone directly or indirectly employed by any of them or anyone for whose acts they may be liable, regardless of whether or not such Claim is caused in whole or in part by an ATI Party or such ATI Party is actively or passively negligent. It is expressly understood that the indemnity, defense and hold harmless duty or obligation of Customer contained in this paragraph, includes and requires Customer to indemnify, defend and hold the ATI Parties harmless of, from and against the ATI Parties' own liability and negligence, including but not limited to their comparative, proportionate and joint liability and negligence, including liability, whether that liability or negligence is a concurring cause for the assertion of any claims except where the Claims were caused by the sole negligence or willful misconduct of Indemnitees.

It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification, defense and hold harmless obligations under this paragraph, such legal limitations are made a part of the Agreement and shall operate to amend the indemnification obligation to the minimum extent necessary to bring the provision into conformity with the requirements of such limitations, and as so modified, the indemnity, defense and hold harmless obligations shall continue in full force and effect. Customer's obligation to defend pursuant to this Section shall be with attorneys satisfactory to the ATI Parties. The ATI Parties which are not parties to this Agreement are third-party beneficiaries of the indemnification provision of this paragraph. Notwithstanding anything in the Agreement Documents to the contrary, the indemnification obligations of the Customer (as set forth in this Section) shall survive any expiration or termination of the Agreement Documents.

Waiver of Certain Claims. By initialing this page below, Customer, on behalf of itself and each of the Customer Parties, does hereby waive, release and forever discharge ATI and each of the ATI Parties, of, from, and against any and all claims, actions, causes of action, demands, rights, agreements, promises, warranties, guarantees, liabilities, losses, damages, costs and expenses, of every nature and character, description and amount, known or unknown, without limitation or exception, whether based on theories of contract, breach of contract, breach of the covenant of good faith and fair dealing, tort, violation of statute or ordinance, or any other theory of liability or declaration of rights whatsoever, arising from or in any way related to (i) Hazardous Environmental Conditions ("Hazardous Environmental Conditions Claim"), (iii) Preexisting Project Conditions ("Preexisting Project Conditions Claim"), (iii) Armoring ("Armoring Claim"), and (iv) the installation of Rubber Berm Traps, whether treated with fire-retardant or not("Rubber Berm Trap Claims"), which Customer and each of the Customer Parties may now have or may

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Customer 4

hereinafter acquire against ATI or any of the ATI Parties. In the event of a Hazardous Environmental Conditions Claim, a Preexisting Project Conditions Claim, an Armoring Claim, and/or a Rubber Berm Trap Claim, ATI shall have the remedies for Default and Customer shall indemnify the ATI Parties as provided in this Section 11.

SECTION 12. ATI'S INSURANCE, INDEMNITY OBLIGATIONS, AND LIMITATION ON LIABILITY.

ATI Insurance. ATI shall obtain and maintain in full force and effect for the entire duration of the ATI Work, the following insurance coverages and policy limits, (i) Commercial General Liability with a per occurrence limit of not less than \$1 Million and a general aggregate limit of not less than \$2 Million (the per occurrence and general aggregate limits may be achieved by an umbrella or excess liability policies), and (ii) workers compensation in the statutory minimum. If requested by Customer, ATI will provide an additional insured endorsement and wavier of subrogation for Customer, and no other person or entity, on a form offered by ATI's insurance carrier. Upon renewal of the foregoing policies of insurance and within five (5) days of Customer's request, ATI shall furnish to Customer certificates or endorsements of insurance showing that a new policy is in effect and that all premiums due have been paid current.

ATI Indemnity. Except for ATI's obligation to warranty the Work for the Repair Warranty Period (defined in Section 5), any claim for damages that Customer may make, or any liability or indemnity obligation that the ATI Parties may have with respect to or arising out of or related to the Work, including property damage or bodily injury, shall be limited to the proceeds a Customer Party or any third party receives, if any, from or under the insurance to be provided by Customer or by or for ATI and nothing more. Under no event or circumstance shall the Customer Parties seek damages in excess of the insurance proceeds discussed above, whether directly or indirectly through suits with other parties who may join the ATI Parties as third-party defendants.

ATTACHMENT 1 SCOPE OF WORK

For the proposed price and in accordance with the ATI Preliminary Drawings ATI will furnish that work, material and/or equipment expressly identified in ATI Proposal (collectively the "Work" or the "ATI Work"). The ATI Work generally includes the following:

- . The off-site manufacture or fabrication of materials and/or equipment required by the ATI Drawings (defined in Section 3); and
- If included as part of Work, (i) the shipping of such fabricated materials and equipment to the Project site, and (ii) the assembly
 and installation of the fabricated materials and/or equipment.

ATI WORK. Except for that work, materials and/or equipment expressly excluded below, ATI proposes to furnish the following work, materials and/or equipment (collectively "Work" or the "ATI Work") for the Project:

- A. Installation. Before ATI will commence installation, the Project site must be fully prepared, available, and equipped so that the ATI Work can timely commence and proceed with the continuous, uninterrupted and unimpaired installation of the ATI fabricated materials and/or equipment at the Project site. Customer understands and agrees that it will provide ATI access for forklifts and/or other equipment with a minimum clearance of five feet (5') wide by seven feet six inches (7'6") tall for the duration of the Project.
- B. Commissioning. Before ATI arrives for start-up and commissioning, (i) all power wiring to or for the ATI Materials, control piping, permanent power, sheet metal, power to the control panel, and range construction must be complete, (ii) all doors, windows, seals, etc., must be complete, and (iii) any penetrations into the range and/or the range wall(s) must be sealed tight.

Notwithstanding the foregoing, the ATI Work does not include and ATI shall not be responsible for (i) the cost to obtain the permits and fees necessary to perform the Work (instead, Customer shall provide such permits and pay any necessary fees), (ii) providing payment and performance bonds, and/or (iii) any work, materials and/or equipment not expressly identified below, including any Customer Work that may be required by the Customer Plans and Specifications, (iv) Electrical UL Rating, (v) the design for and adjustments, (vi) accommodations, repairs or protection related to or arising out of seismic movement (of any kind), wind and/or snow loads, (vii) prevailing wages, union labor, or any increased labor expenses; and (viii) re-vegetation of landscaping.

While ATI has familiarized itself with the general and local conditions affecting construction in the locale where the Project is to be constructed, ATI makes no representations as to any additional costs that Customer may incur or be required to pay to ATI as the result of any unknown Project site conditions. Further, ATI shall not be responsible for violations of applicable laws, statutes, regulations, rules, ordinances, and building codes when such violations result from construction in accordance with the requirements of the ATI Drawings.

<u>CUSTOMER WORK</u>. Customer shall furnish and provide (by or through others) the "Customer Work" (defined below) at Customer's sole cost and expense pursuant to the Customer Plans and Specifications and as otherwise required by these provisions. All Customer Work must be performed in accordance with the Customer Plans and Specifications and all applicable federal, state and local laws, regulations and building codes, and the ATI Drawings, to the extent applicable. Failure to strictly adhere to the Customer Plans and Specifications, applicable federal, state and local laws, regulations and building codes, and/or to the ATI Drawings shall (i) void the Repair Warranty (defined in Section 5) to be provided by ATI, (ii) excuse performance by ATI of any installation or testing of the ATI Work until such time as the defective, non-conforming or non-compliant Customer Work has been corrected, and (iii) be a Change Event (defined in Section 7).

In addition to the General Exclusions noted above, the following are defined as "Customer Work" and (i) shall be performed by Customer. and (ii) ATI shall have no responsibility for such Customer Work, which work is expressly excluded from the ATI Work. The "Customer Work" shall include, but not be limited to the following: i) all temporary utilities for construction (including adequate lighting and power for hand-tools); ii) structural work of any kind, including hanging support for the ATI Materials, any substructure from which the ATI Materials is or will be supported pursuant to the ATI Drawings, canopies, shade structures, etc., iii) Electrical wiring (including all hookups to or for the ATI Materials) and conduit (both high and low voltage), including connections, line or control conduits (empty or full), electrical boxes, receptacles, target or general lights and any other devices generally considered for high or low voltage iv) Concrete footings, piers and slabs of any kind, v) Floor trenching and wall notching (applicable only for steel Total Containment Traps (TCT)); vi) Engineered stamped drawings for all hanging points, seismic engineering/components and/or ATI provided equipment; vii) applicable permits and fees for the Products and the Customer Work; viii) Gas piping, ix) Coring and sealing, x) General trades work, xi) Off-loading of ATI materials and equipment upon delivery to the Project, xii) Non-ballistic drop ceiling in range ready area, xiii) Range lighting controls and wiring, xiv) Waste disposal, xv) Sanitation facilities; xvi) 120-volt power to the control panel, control conduits, and dedicated analog phone line to DDC panel, pull in all necessary low voltage cable (cable installed prior to arrival of ATI's start-up technician), labor and hardware to install DDC control panels in the building and on the roof, dedicated 120-volt circuit to the control pipe and wire for the evaporative cooler section fill and drain valves; xvii) power and disconnect switches to all equipment per local code and manufacturer's requirements on the equipment, VFDs for the electrical contractor to mount and wire (ATI will complete the low voltage wire connections), xviii) structural engineering, supports, pads, rooftop equipment rails, etc.; xix) Cutting, coring and/or patching of any wall surfaces, roof surfaces, and or concrete (if applicable), xx) Gas, water, and drain piping to the ventilation equipment set by ATI, xxi) Life safety devices including duct smoke detectors, xxii) Drop ceiling from the top of the radial diffusers to the Firing Line Area and/or the Tactical Area, xxiii) Address, remediate and/or resolve any Preexisting Project Conditions; and xxiv) Any other work, materials or equipment that is not expressly included in the ATI Work.

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ATTACHMENT 2

ARMORING

To the extent included as part of the ATI Work in Attachment 1, certain areas may be designated ballistic or armored for "point blank" type impacts ("Armoring") as ATI Class 1 or ATI Class 2 (either Glass or Solid), as follows:

| Material | Rating | Range Use | Max Velocity | Max Energy | | Compliance |
|----------|----------------|------------------|-----------------|---------------|----|---|
| 01 | ATI Class | Pistol Ranges | 1,485 fps | 1,175 lbs. | ft | Meets or exceeds UL 752 Level 3 and EN1063 BR4(S) standards |
| Glass | ATI Class | Rifle Ranges | 3,388 fps | 3,600 lbs. | ft | Meets or exceeds EN1063 BR5(S) standards |
| Calid | ATI Class | Pistol Ranges | 1,485 fps | 1,175 lbs. | ft | Meets or exceeds UL 752 Level 3 standards |
| Solid | ATI Class 2 | Rifle Ranges | 3,388 fps | 3,600 lbs. | ft | Meets or exceeds UL 752 Levels 5, 7, 8, 9, & 10 standards |

ATI Armoring is not rated for armor-piercing rounds or atypical ammunition. Customer understands, acknowledges and agrees that (i) ammunition can vary significantly, even within different rounds of the same caliber (depending on the selection of projectile material and weight, muzzle velocity, manufacturer, etc.), (ii) it is Customer's responsibility to ensure that ammunition used in a Firing Line Area or Tactical Area does not exceed the max velocity and/or max energy for which the area is rated, (iii) Customer shall be solely responsible for the improper use of ammunition and weapons by Customer Parties or others by exceeding the operational and/or functional scope for which the ATI Materials in the a Firing Line Area or Tactical Area are intended, and (iv) the ATI Repair Warranty (Section 5) shall be void for all purposes in the event of a Bullet Strike (Section 9) to Armoring that exceeds the allowable max velocity and/or max energy specified.