

## STANDARD TERMS AND CONDITIONS

Applicable to Vendors Supplying Products and/or Services to Powercor Services LLC.

### 1. APPLICABILITY

All sales of products ("Products") and services by a vendor ("Vendor") to Powercor Services LLC and each of its parents, affiliates and subsidiaries ("Powercor") are subject to these standard terms and conditions. Terms and conditions of Vendor (whether contained in a purchase order confirmation or otherwise) which are in any way in conflict or inconsistent with or different or in addition to these standard terms and conditions (whether communicated orally or contained in a purchase order verification, delivery ticket, invoice or other written correspondence) shall not be binding on Powercor and are rejected and shall not be considered applicable to any purchase of Products or services by Powercor unless expressly agreed to in writing by Powercor. The supply of Products or services to Powercor pursuant to any purchase order or similar order of Products or services by Powercor shall be conclusive evidence of Vendor's approval of and consent to the terms and conditions herein contained.

### 2. PRICES

Unless otherwise agreed in writing by Powercor, all prices, whether herein named or heretofore quoted or proposed, shall be inclusive of packing and preparation for export shipment, inland or ocean freight, insurance or forwarding fees, taxes, or duties of any kind or other similar charges applicable to Products. Unless otherwise agreed in writing by Powercor, Vendor agrees to pay such charges incurred by Powercor.

### 3. TERMS OF PAYMENT

Unless Vendor and Powercor otherwise agree in writing to payment terms other than those specified herein, payment shall be made in U.S. Dollars in accordance with remittance instructions furnished by Vendor. Payment terms are net forty-five (45) days from date of invoice. The maximum allowable service charge, under the laws of the State of Texas, shall be applied to all past due accounts commencing from the due date of the invoice until paid; provided, however, no such service charge may be applied until 10 business days following written notice from Vendor of its intent to apply such service charge.

### 4. WARRANTY

a. In addition to any other warranties available under applicable law, Vendor warrants that the Products sold by Vendor hereunder will (i) be new, (ii) if applicable, be in strict conformity with the specifications, parameters, drawings or descriptions on the face of a separate purchase order, any applicable samples and any other product quality and/or performance representations of Vendor, (iii) comply with all applicable laws, rules and regulations, (iv) be of good and merchantable quality and fit for Powercor's intended purposes if known to Vendor, (v) be free of defects in material and workmanship and (vi) be delivered free and clear of all taxes, liens or other encumbrances whatsoever.

b. In addition to any other warranties available under applicable law, Vendor warrants that all services provided by Vendor shall be provided and performed (i) in a good and workmanlike manner, (ii) in compliance with all applicable laws, rules and regulations, (iii) if applicable, in strict conformity with the specifications, parameters, drawings or descriptions on the face of a separate purchase order and any service quality and/or performance representations of Vendor.

c. In addition to any other remedies available under applicable law, in the event of a breach of any warranty hereunder, (i) Vendor, at Powercor's request and at Vendor's sole cost and expense, shall promptly correct or replace such Products and deliver such corrected or replaced Products to such location as Powercor shall request, (ii) Vendor, at Powercor's request and at Vendor's sole cost and expense, shall promptly re-perform the service that is the subject of the breach, or (iii) Vendor shall promptly provide to Powercor a complete refund of the purchase price and other amounts paid relating to such Products or services. Powercor shall not be responsible for costs of removal and reinstallation.

d. Powercor shall have the sole right to determine whether returned Products shall be repaired or replaced.

e. Unless notice of a warranty claim or potential warranty claim is provided to Vendor by Powercor, Vendor's responsibility under these warranties shall expire two years (2) years after delivery of the Products or performance of the services to Powercor, or in the case of any part or component repaired or replaced by Vendor the warranty shall remain in effect for the two (2) year period following delivery of the corrected or replacement Product.

f. Vendor agrees to assume round-trip transportation costs for defective or non-conforming Products to and from Powercor's facility.

### 5. NO THIRD PARTY BENEFICIARIES

Except as expressly provided herein to the contrary, the provisions of this order are for the benefit of the parties to the order and not for the benefit of any other party, person or entity.

### 6. CANCELLATIONS

a. Powercor shall be permitted to cancel at any time any purchase order or other order of Products or services hereunder. In the event such cancellation occurs within 60 days of the placement of such order, Powercor shall have no liability for such cancellation, and if such cancellation occurs after 60 days following placement of such order, Powercor shall be responsible for any direct costs associated with such order, but only to the extent that the Products ordered or inventory and components relating to such order are not fungible, resaleable or useable by another third party.

b. Notwithstanding anything in this Section 6 to the contrary, Powercor may cancel or terminate any purchase order or other order of Products and/or services, in whole or in part, and without incurring any liability to Vendor therefor, if (i) Vendor fails to deliver all of the Products and/or services in conformance with these terms and the applicable purchase order and in the quantities and qualities specified by the delivery date, time of performance being of the essence, (ii) Vendor fails to comply with any term or condition of these terms, or (iii) proceedings are instituted under bankruptcy, reorganization or insolvency laws by or against either Vendor or Powercor or there is an appointment of a receiver or trustee or a general assignment for the benefit of creditors of either party.

#### 7. TAXES

The amount of Federal, State or local taxes applicable to the sale, use or transportation of the Products sold or the work performed hereunder and all duties, imposts, tariffs, or other similar levies shall be included in the prices and thus shall be paid by Vendor, except where Powercor shall otherwise agree in writing.

#### 8. SHIPMENT, TITLE, RISK OF LOSS

Except as may otherwise be agreed by the parties in writing, the Products being sold hereunder shall be delivered to Powercor FOB to the destination specified by Powercor. Powercor agrees to inspect such Products within a reasonable period. Any deviation must be approved in writing prior to shipment. Any premium cost incurred for late deliveries will be at the sole cost and expense of Vendor. Powercor shall take title at the specified destination upon acceptance and shall bear all risk of loss from and after that time.

#### 9. SEVERABILITY

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law each party hereby waives any provision of law which renders any provisions hereof prohibited or unenforceable in any respect.

#### 10. INDEMNIFICATION

Vendor will INDEMNIFY, DEFEND, and hold Powercor and its parent, subsidiaries, and affiliated companies, its and their customers, contractors and subcontractors of any tier (other than Vendor), and the directors, officers, employees, agents, representatives, successors and assigns of all of the foregoing harmless against any and all claims, actions, liabilities, damages, losses, settlements, expenses, attorney's fees and costs, including claims of product liability, negligence, patent, trademark or copyright infringement, and unfair competition, relating in any way to Products sold by Vendor or arising out of or alleged to arise from the failure by the Vendor to manufacture, produce, package, label, ship and/or to register all Products delivered pursuant to any purchase order in accordance with and in conformity to all applicable State, Federal and local laws and regulations, including all such laws and regulations relating to retail sales of Products purchased hereunder or under individual purchase orders.

## 11. GOVERNING LAW AND FORUM

This Agreement shall be interpreted in accordance with the laws of the State of Texas, regardless of the conflict of law provisions thereof. The parties hereto agree that any litigation arising out of this Agreement shall be in the State of Texas. Any legal action by Vendor for breach must be commenced within (i) one (1) year from the date of the breach if the breach is related to Products or (ii) two (2) years from the date of the breach if the breach is related to services. Vendor agrees to pay all costs and expenses, including reasonable attorney's fees incurred by Powercor in any action to enforce its rights hereunder. The United Nations Convention on the Contracts for International Sale of Goods, 1980, and any amendment or successor thereto is expressly excluded from this Agreement.

## 12. WAIVER

Failure by Powercor to assert all or any part of its rights upon any breach of this agreement shall not be deemed a waiver of such rights either with respect to such breach or any subsequent breach nor shall any waiver be implied from the acceptance of any payment or service. No written waiver of any right shall extend to or affect any other right Powercor may possess nor shall such written waiver extend to any subsequent similar or dissimilar breach.

No written waiver of any right shall extend to or affect any other right Seller may possess nor shall such written waiver extend to any subsequent similar or dissimilar breach.

## 13. ENTIRE AGREEMENT

Upon acceptance of this agreement or order by Vendor, the provisions hereof shall constitute the entire Agreement between the parties and supersedes all prior prices, offers, negotiations and agreements relating to the subject matter hereof.

## 14. ASSIGNMENT

No order between Vendor and Powercor may be assigned or subcontracted by Vendor, in whole or in part, without the prior written approval of Powercor. Any assignment made in contravention of this Section 14 shall be null and void for all purposes.