



Terms and Conditions

2026

Terms & Conditions

By accepting to purchase the Goods and/or Services (as herein defined) Buyer and Seller agree to be bound by the following Terms and Conditions:

Definitions

As used in these General Terms and Conditions of Sale, the term "Goods" means transformers and related equipment, products, and other tangible property from time to time sold or offered for sale to Buyer from Seller (hereinafter defined), the term "Seller" means Hillfort, LLC, its affiliates, its subsidiaries, its employees and its contractors; and the term "Buyer" shall mean the entity or person to whom such Goods or Services is being sold or offered to. The "Transaction" means the sale of Goods or offer to sell and purchase Goods and/or Services between Seller and Buyer at the subject of these Terms and Conditions. Agreement means these General Terms and Conditions along with any and all invoice(s) provided with this document. Each Buyer and Seller is a party and is collectively known as the "Parties", and each, a "Party." These General Terms and Conditions apply to the Transaction or the contemplated Transaction between Buyer and Seller. These Terms prevail over any terms or conditions contained in any other documentation and expressly exclude any of Buyer's general terms and conditions of sale or any other document issued by Buyer in connection with this Order. Buyer and Seller agree to be bound to the terms of these General Terms and Conditions of Sale upon negotiation and performance of the Transaction. These terms, along with the invoice (hereinafter defined) for Goods and Services to be performed, are the entire understanding of Buyer and Seller.

1. Sale of Goods

Seller shall sell to Buyer and Buyer shall purchase from Seller the Goods set forth in the "Invoice" in the quantities and at the Prices (as defined in 6) and upon the terms and conditions set forth in this Agreement. Invoice photos may not represent the final product. All orders are subject to acceptance by Buyer. Any Invoice may be revised only with the written approval of an authorized representative of Seller. In the event that revision is not approved, Buyer shall remain liable for the full amount of the Invoice. Cancellation charges are available upon request from Seller. If drawings provided by Seller in connection with the Invoice are not approved within 30 days, they will be subject to re-quoting. Failure to approve within 90 days will result in the cancellation of the order, and a 25% cancellation fee will be charged. Quoted availability of any Goods is subject to prior orders and may change upon final approval of the Invoice. Any revisions requested by the Buyer to Invoices or drawings may delay the order and reset the delivery and lead time estimates provided by Seller.

2. Delivery

As more specifically stated in the Invoice, Seller shall deliver the Goods to Buyer Delivered Duties Paid (Incoterms 2020) to the location identified on the Invoice (the "Delivery Point") unless stated otherwise. The Goods will be delivered at site, ready for unloading with the Buyer responsible for unloading and loading.

(i) Seller shall have no liability for any failure to deliver the Goods to Buyer if such failure arises from causes beyond the reasonable control of the Seller, including but not limited to, delays from suppliers, governmental actions, and shortage of materials, labor difficulties, fires, floods, war, civil insurrection, riots, acts of God and the effects of civil disobedience.

(ii) Seller shall have no liability for any damage that occurs during the unloading of the Goods and risk of loss to the Goods shifts to the Buyer when the Goods have arrived at the delivery point.

(c) If for any reason Buyer fails to accept delivery of any of the Goods on the date fixed pursuant to Seller's notice that the Goods have been delivered at the Delivery Point, or if Seller is unable to deliver the Goods at the Delivery Point on such date because Buyer has not provided appropriate instructions, documents, licenses or authorizations: (i) risk of loss to the Goods shall pass to Buyer; (ii) the Goods shall be deemed to have been delivered; and (iii) Seller, at its option, may store the Goods until Buyer picks them up, whereupon Buyer shall be liable for all related costs and expenses (including, without limitation, storage and insurance). A minimum daily storage fee of \$50 per unit will apply depending on the size of the equipment. Storage fees will begin accruing seven (7) calendar days after Buyer is notified that the order is ready to ship. These fees will stop accruing once the Goods depart for delivery. Storage fees must be paid in full before delivery can be completed. If the equipment remains in storage for over 90 calendar days, Buyer will forfeit all rights and title to the Goods.

3. Non-Delivery

The quantity of any installment of Goods as recorded by Seller on dispatch from Seller's place of business is conclusive evidence of the quantity received by Buyer on delivery unless Buyer can provide conclusive evidence proving the contrary. Seller shall not be liable for any non-delivery of Goods (even if caused by Seller's negligence) unless Buyer gives written notice to Seller of the non-delivery within three (3) days of the date when the Goods would in the ordinary course of events have been received. Any liability of Seller for non-delivery of the Goods shall be limited to delivering the Goods within a reasonable time or adjusting the Invoice respecting such Goods to reflect the actual quantity delivered.

4. Title and Risk of Loss

Risk of loss passes to Buyer when the Goods have arrived at the delivery point. Title and ownership of the product remain with Seller until full payment, including any fees (such as storage), is received. As collateral security for the payment of the purchase price of the Goods, Buyer hereby grants to Seller a lien on and security interest in and to all of the right, title and interest of Buyer in, to and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. This security interest will terminate upon final payment by Buyer for the Goods. The security interest granted under this provision constitutes a purchase money security interest under the Texas Uniform Commercial Code.

5. Inspection and Non-Conforming Goods

(a) Buyer shall inspect all Goods within twenty-four (24) hours after receipt ("Inspection Period"). Buyer will be deemed to have accepted the Goods unless it notifies Seller in writing of any Nonconforming Goods during the Inspection Period and furnishes such written evidence or other documentation as reasonably required by Seller. "Nonconforming Goods" means only the following: (i) product shipped is different than identified in the Invoice; or (ii) the product's label or packaging incorrectly identifies its contents.

(b) If Buyer notifies Seller of any Nonconforming Goods within 24 hours of receiving the Nonconforming Goods, Seller shall, in its sole discretion, (i) repair or replace such Nonconforming Goods with conforming Goods, or (ii) credit or refund the Price for such Nonconforming Goods. Buyer shall ship, at its expense and risk of loss, the Nonconforming Goods to the Delivery Point. If Seller

exercises its option to replace Nonconforming Goods, Seller shall, after receiving Buyer's shipment of Nonconforming Goods, ship to Buyer, at Buyer's expense and risk of loss, the replaced Goods to the Delivery Point.

(c) Buyer acknowledges and agrees that the remedies set forth in Section 5(b) are Buyer's exclusive remedies for the delivery of Nonconforming Goods. Except as provided under Section 5(b), all sales of Goods to Buyer are made on a one-way basis and Buyer has no right to return Goods purchased under this Agreement to Seller.

6. Price

Buyer shall purchase the Goods from Seller at the prices (the "Prices") set forth in the Invoice. All Prices are exclusive of all sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any governmental authority on any amounts payable by Buyer unless stated otherwise in the invoice provided by Seller. Buyer shall be responsible for all such charges, costs, and taxes; provided, that, Buyer shall not be responsible for any taxes imposed on, or with respect to, Seller's income, revenues, gross receipts, personnel, or real or personal property or other assets. Sales taxes may be added unless an exemption certificate is provided. The Prices are valid for fourteen (14) days from the date Seller provides the Invoice. Pricing is based on the quantities listed on the Invoice and is subject to review if a partial order is placed. Prices may increase every six (6) months, or immediately with thirty (30) days' notice, if there is a significant and unanticipated increase in material cost indices or significant changes in freight and labor costs. Seller may adjust the Price due to changes in applicable tariffs or import duties levied; however, Seller must notify Buyer of any price changes based on tariffs or import duties within thirty (30) days of the adjustment. Adjustments will be made if the increase is deemed significant by Seller in its sole discretion. Any and all adjustments under this Section 6 will be made if the increase is deemed significant by Seller in its sole discretion.

7. Payment Terms

Buyer shall pay all invoiced amounts due to Seller on receipt of Seller's Invoice. Buyer shall make all payments hereunder by wire transfer and in US dollars. The progress payment schedule is outlined in the stated Invoice. Buyer has three (3) business days from the due date of each payment milestone to make full payment or it shall be considered a "Late Payment". Buyer shall pay interest on all Late Payments at the lesser of the rate of 1.5% per month or the highest rate permissible under applicable law, calculated daily and compounded monthly. Buyer shall reimburse Seller for all costs incurred in collecting any late payments, including, without limitation, attorneys' fees. Buyer forfeits any and all deposits made on any Invoice ninety (90) calendar days after any Invoice is due if payment has not been made in full.

8. No Setoff

Buyer shall not, and acknowledges that it will have no right, under this Agreement, any other agreement, document or law, to withhold, offset, recoup or debit any amounts owed (or to become due and owing) to Seller or any of its affiliates, whether under this Agreement or otherwise, against any other amount owed (or to become due and owing) to it by Seller or its affiliates, whether relating to Seller's or its affiliates' breach or non-performance of this Agreement or any other agreement between Buyer or any of its affiliates, and Seller or any of its affiliates, or otherwise.

9. Cancellation Fee

Any Invoice may be canceled by Buyer only with the written approval of an authorized representative of Seller. In the event that cancellation is not approved, Buyer shall remain liable for the full amount of the Invoice. Any payments made by the Buyer are non-refundable. Cancellation charges are available upon request from Seller.

10. Warranties

The warranty applicable to the Goods and/or Services shall be the original equipment manufacturer's ("OEM") warranty as specified on the Invoice and corresponding warranty document(s). Buyer acknowledges and agrees that Hillfort ("Seller") is passing through the OEM warranty and that the terms and conditions of such OEM warranty shall govern all warranty claims. Seller shall provide reasonable assistance to Buyer in facilitating warranty claims with the OEM, including but not limited to coordinating communications and providing necessary documentation to support the claim process. Notwithstanding the foregoing, warranty coverage shall be void if the equipment failure is determined to result from overloading or routinely operating the transformer at levels exceeding industry standard operating parameters. Buyer may preserve warranty coverage by providing documentation and metering data demonstrating that the transformer was operated within standard operating conditions prior to the time of failure. Any warranty provided with respect to the Goods and/or Services shall have no force or effect unless and until full payment for such Goods and/or Services has been received by Seller.

SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE DESIGN, CONDITION, OR PERFORMANCE OF THE GOODS AND/OR SERVICES BEYOND THE OEM WARRANTY PASSED THROUGH HEREIN, AND EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE REPAIRS OR REPLACEMENTS MADE BY OTHERS WITHOUT SELLER'S OR OEM'S PRIOR WRITTEN CONSENT SHALL VOID THE WARRANTY. SELLER DOES NOT WARRANT THAT THE EQUIPMENT WILL MEET OR COMPLY WITH THE REQUIREMENTS OF ANY SAFETY CODE OR REGULATION OF ANY STATE, MUNICIPALITY, OR OTHER JURISDICTION. THE EQUIPMENT HAS BEEN SOLD BASED UPON BUYER'S DETERMINATION THAT IT IS APPROPRIATE FOR BUYER'S INTENDED APPLICATION. THE GIVING OR FAILURE TO GIVE ANY ADVICE OR RECOMMENDATION BY SELLER SHALL NOT CONSTITUTE ANY WARRANTY OR IMPOSE ANY LIABILITY UPON SELLER.

11. Non-Solicitation

For a period of twenty-four (24) months after the Transaction, Buyer will not in any way, directly or indirectly (i) induce or attempt to induce any employee, independent contractor, agent, consultant, supplier, customer or client of Seller to terminate its relationship with Seller; (ii) otherwise interfere with or disrupt Seller's relationship with its employees, independent contractors, agents, consultants, suppliers, customers, or clients; (iii) solicit, entice or hire away any employee, independent contractor, agent, consultant, supplier, customer or client of Seller; or (iv) hire or engage any employee, independent contractor, agent, consultant, supplier, customer or client of Seller or any former employee, independent contractor, agent, consultant, supplier, customer, or client of Seller whose work or agreement with Seller ceased less than one (1) year before the date of such hiring or engagement. Buyer acknowledges that any attempt on the part of Buyer to induce others to leave Seller, or any effort by Buyer to interfere with Seller's relationship with its employees, independent contractors, agents, consultants, or customers would be harmful and damaging to Seller. For the avoidance of doubt, Buyer is not to contact or solicit the current or former customers, suppliers, or clients of Seller, provided, however, that any such persons who did business with Buyer prior to the Transaction or whom Seller agrees in writing may have a business relationship with Buyer are not subject to this provision.

12. Limitation of Liability

(a) IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF, OR RELATING TO, OR IN CONNECTION WITH ANY BREACH OF THIS AGREEMENT, REGARDLESS OF (i) WHETHER SUCH DAMAGES WERE FORESEEABLE, (ii) WHETHER OR NOT SELLER WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, (iii) THE LEGAL OR EQUITABLE THEORY CONTRACT, TORT OR OTHERWISE UPON WHICH THE CLAIM IS BASED, AND (iv) THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

(b) IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT INCLUDING NEGLIGENCE OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR THE GOODS SOLD HEREUNDER.

13. Indemnification

Buyer shall indemnify, defend and hold harmless Seller and its officers, directors, employees, agents, affiliates, successors and permitted assigns (collectively, "Indemnified Party") against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees, fees and the costs of enforcing any right to indemnification under this Agreement and the cost of pursuing any insurance providers, incurred by Indemnified Party, relating to/ arising out of or resulting from any claim of a third party arising out of or occurring in connection with the products purchased from Seller or Buyer's negligence, willful misconduct or breach of this agreement. Buyer shall not enter into any settlement without Seller's or Indemnified Party's prior written consent.

14. Termination

In addition to any remedies that may be provided in this Agreement, Seller may terminate this Agreement with immediate effect upon written notice to Buyer for any reason including but not limited to if Buyer: (i) fails to pay any amount when due under this Agreement and such failure continues for ten (10) days after Buyer's receipt of written notice of nonpayment; (ii) has not otherwise performed or complied with any of the terms of this Agreement, in whole or in part; or (iii) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.

15. Confidential Information

All non-public, confidential or proprietary information of Seller, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential," in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized by Seller in writing. Upon Seller's request, Buyer shall promptly return all documents and other materials received from Seller. Seller shall be entitled to injunctive relief for any violation of this Section. This Section shall not apply to information that is: (a) in the public domain; (b) known to the Buyer at the time of disclosure; or (c) rightfully obtained by the Buyer on a non-confidential basis from a third party.

16. Entire Agreement

This Agreement, including and together with any related invoices, schedules, attachments, and appendices, constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, regarding such subject matter.

17. Survival

Subject to the limitations and other provisions of this Agreement: (a) the representations and warranties of the Parties contained herein shall survive the expiration or earlier termination of this Agreement; and (b) Sections 10, 12, 14 and 16 of this Agreement, as well as any other provision that, in order to give proper effect to its intent, should survive such expiration or termination, shall survive the expiration or earlier termination of this Agreement. All other provisions of this Agreement shall not survive the expiration or earlier termination of this Agreement.

18. Notices

All notices, requests, consents, claims, demands, waivers, and other communications must be delivered by personal delivery, nationally recognized overnight courier, or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a notice is effective only (a) on receipt by the receiving Party, and (b) if the Party giving the Notice has complied with the requirements of this Section.

19. Delivery Date

Delivery dates are approximate only. Seller shall use its best efforts to make delivery within the time period specified in the invoice. In no event shall Seller be liable for consequential, economic, special, incidental, or liquidated damages, anticipated profits, lost profits or any damages or penalty resulting or arising in any way from the failure to timely deliver the Goods or Services.

20. Severability

If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon a determination that any term or provision is invalid, illegal or unenforceable, [the Parties shall negotiate in good faith to/the court may] modify this Agreement to affect the original intent of the Parties as closely as possible in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

21. Amendments

No amendment to or modification of or rescission, termination, or discharge of this Agreement is effective unless it is in writing, identified as an amendment to or rescission, termination or discharge of this Agreement and signed by an authorized representative of each Party.

22. Waiver

No waiver by any party of any of the provisions of this Agreement shall be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall 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.

23. Cumulative Remedies

All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either Party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the Parties or otherwise. Notwithstanding the previous sentence, the Parties intend that Buyer's rights under 3, 5, and 9 are the Buyer's exclusive remedies for the events specified therein.

24. Assignment

Buyer shall not assign, transfer, delegate, or subcontract any of its rights or obligations under this Agreement without the prior written consent of Seller. Any purported assignment, transfer, delegation, or subcontract in violation of this Section shall be null and void. No assignment, transfer, delegation, or subcontract shall relieve Buyer of any of its obligations hereunder. Seller may at

any time assign, transfer, delegate, or subcontract any or all of its rights or obligations under this Agreement without Buyer's prior written consent.

25. Successors and Assigns

This Agreement is binding on and ensures to the benefit of the Parties to this Agreement and their respective permitted successors and permitted assigns.

26. No Third-Party Beneficiaries

This Agreement benefits solely the Parties to this Agreement and their respective permitted successors and assigns, and nothing in this Agreement, express or implied, confers on any other Person any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

27. Choice of Law

This Agreement, including all invoices, schedules, attachments and appendices attached to this Agreement and thereto, and all matters arising out of or relating to this Agreement, are governed by, and construed in accordance with, the laws of the State of Texas, United States of America, without regard to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of Texas.

28. Choice of Forum

Each Party irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against the other Party in any way arising from or relating to this Agreement, including all invoices, schedules, attachments, and appendices attached to this Agreement, and all contemplated transactions, in any forum other than the state and federal courts located in Orange County, Texas and agree to waive all objections to personal jurisdiction, venue and forum non conveniens. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

29. WAIVER OF JURY TRIAL

EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT, INCLUDING INVOICES, SCHEDULES, ATTACHMENTS, AND APPENDICES ATTACHED TO THIS AGREEMENT, IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDING ANY INVOICES, SCHEDULES, ATTACHMENTS OR APPENDICES ATTACHED TO THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY.

30. Force Majeure

(a) Neither Party shall be liable or responsible to the other Party, or be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations of the Buyer to make payments to Seller), when and to the extent such failure or delay is caused by or results from acts beyond the reasonable control of the impacted Party ("Impacted Party"), including, without limitation, the following force majeure events ("Force Majeure Events"): (a) acts of God; (b) flood, fire, earthquake, epidemics, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order, Tariffs, law, or actions; (e) embargoes or blockades in effect on or after the date of this Agreement; (f) national or regional emergency; (g) strikes, labor

stoppages or slowdowns, or other industrial disturbances; (h) telecommunication breakdowns, power outages or shortages, lack of warehouse or storage space, inadequate transportation services, or inability or delay in obtaining supplies of adequate or suitable materials; and (i) other similar events beyond the reasonable control of the Impacted Party.

(b) The Impacted Party shall give notice to the other Party, within five (5) days of the Force Majeure Event, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause. In the event that the Impacted Party's failure or delay remains uncured for a period of thirty (30) consecutive days following written notice given by it under this Section 30, either Party may thereafter terminate this Agreement upon ten (10) days' written notice.

31. Relationship of the Parties

The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, franchise, business opportunity, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever. No relationship of exclusivity shall be construed from this Agreement.