

RESOLUTION NO. 67-2024

Introduced by Joel Hagy


A RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT THE PROPOSAL AND ENTER INTO AN AGREEMENT WITH REINHAUSEN MANUFACTURING, INC. FOR LOAD TAP CHANGERS (LTC) INSPECTION AND TESTING RELATING TO THE HURON PUBLIC POWER EXPANSION PROJECT IN THE AMOUNT OF FORTY-THREE THOUSAND SIX HUNDRED FORTY-EIGHT AND 44/100 DOLLARS (\$43,648.44).

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HURON, OHIO:

SECTION 1. That the City Manager shall be, and he hereby is, authorized and directed to accept the proposal and enter into an agreement with Reinhausen Manufacturing, Inc. for Load Tap Changers (LTC) Inspection and Testing Services relating to the Huron Public Power Expansion Project in the amount of Forty-Three Thousand Six Hundred Forty-Eight and 44/100 Dollars (\$43,648.44), which proposal is attached hereto as Exhibit "A" and incorporated herein.

SECTION 2. That this Council hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Council and that all deliberations of this Council and of its Committees, if any, which resulted in formal action, were taken in meetings open to the public in full compliance with applicable legal requirements, including O.R.C. §121.22.

SECTION 3. That this Resolution shall be in full force and effect from and immediately after its adoption.

ATTEST: 
Clerk of Council


Mark Claus, Vice-Mayor

ADOPTED: **13 AUG 2024**



Reinhausen Manufacturing Inc. / 2549 North 9th Avenue / Humboldt TN 38343

Engineer Process System Ltd.
205 Sprowl Road
Huron OH 44839

Offer

10002520-00

Contact person

Jeffrey Throckmorton

Email

J.Throckmorton@us.reinhau-
sen.com

Phone

Your inquiry

City of Huron, OH

Date of inquiry

05/29/2024

Your reference

Huron, OH LTC inspection
and testing

Project

Huron, OH LTC inspection
and testing

Your Cust. No.

812135

Date

06/04/2024

Dear Ladies and Gentlemen,

We thank you for your above mentioned inquiry and offer - based on the conditions stated below - as specified on the following pages.

REINHAUSEN MANUFACTURING (RM) proposes to provide for this project, all non-union labor crew, and equipment necessary to perform the services according to the details contained in the work scope.

RM General Responsibilities:

Scope of Work:

- Mobilize crew and equipment to Substation.
- Perform pre-job brief to identify hazards and proper isolation, switching, and grounding.
- Stage equipment,
- LTC inspection RMVII Perform
 - 1) The following will also be performed (customer must provide control power):
 - 2) Monitoring system operation (tripping test)
 - 3) Electrical limit verification
 - 4) Mechanical limit operation
 - 5) Contact engagement
 - 6) Correct operation of vacuum interrupter assembly
- Transformer Testing
 - 1) Transformer turns ratio test in the following LTC taps 16R 14R 12R 10R 8R 6R 4R 2R 1R N 1L 2L 16L and as found tap in DETC
 - 2) Winding resistance test in LTC taps 16R 14R 12R 10R 8R 6R 4R 2R 1R N 1L 2L 16L as found tap in DETC

Reinhausen Manufacturing Inc.
2549 North 9th Avenue
Humboldt, TN 38343

Phone +1 (731) 784-7681
Fax +1 (731) 784-7682

President: Robert Vary

REINHAUSEN Group

Regions Bank

Account: 7510125407

ABA number: 062005690

Swift Code: UPNBUS44

Federal Id # 62-1413391



- 3) Core insulation resistance test
- 4) Insulation resistance test Polarization Index (PI) calculated from this data with the final test values temperature-compensated. PI determined using the one-minute and ten-minute readings only
- 5) Overall Power Factor and Capacitance test on windings
- 6) Excitation current test
- 7) Power Factor and Capacitance test on Bushing

Customer Responsibilities:

Prior to the acceptance of a purchase order, the purchaser shall provide a PCB report, showing PPM concentration. This report shall be dated within the preceding ninety (90) days of the PO date, with the following considerations:

- Concentration levels greater than 49PPM will result in purchase order rejection, as RM will not be able to complete the work
- Concentration levels between 1-49PPM will result in additional decontamination charges and customer responsibilities:
 - Waste drums and new "flush" oil for RM processing equipment
 - One (1) complete set of replacement filters for RM processing equipment
 - Labor hours for decontamination
 - Customer will dispose of all PCB contaminated waste
 - Customer will allow the decontamination process on their property, prior to final demobilization
- Establish productive relationship with RM for a successful project.
- Provide clear and easy access to the transformer.
- Remove any iso-phase, Deluge Fire System or structure that obstructs scope of work prior to the arrival/start-time of the RM Crew.
- De-energize any overhead lines if needed by open switches on both ends, lock/tag-out and provide visible grounds prior to the arrival/start-time of the RM Crew.
- Provide all manuals, one-line drawing, wiring schematics and control drawings.
- Provide communication and sanitation facilities.
- Provide drum and disposal of all waste, flush and scrap oil generated in execution of the project.

Notes:

1. Pricing does not include the hauling of or providing of any oil.
2. Pricing does NOT include other Site visits for Specific Safety Training. If there are any other specific requirements, please forward and we can review. (If required an additional cost adder can be provided).
3. Pricing does NOT include any unscheduled Delays beyond the control of RM, including weather, and/or any other issues impacting the schedule. (The additional cost will be billed as time and expense).
4. RM or its contractors are not responsible for any underground utilities, driveways, landscapes, curbing and asphalt parking lots. Equipment is very heavy and may damage these areas. RM recommends the appropriate surveys be performed prior to start of work.
5. Pricing does not include Start-Up/Energization activities. Pricing can be provided upon formal request.
6. Any site improvements such as gravel and temporary fence removal and security modifications are assumed to be the responsibility of the owner/customer.
7. Any special customer required site specific safety related equipment or clothing will be invoiced to the customer at cost plus 15%.



| | |
|---------------------------|------------------|
| Total of items | 43,648.44 |
| Final amount (USD) | 43,648.44 |

INCOTERMS EXW Humboldt TN

Terms of payment: Advance payment

Terms of delivery: The delivery and/or service is based on enclosed "REINHAUSEN
MANUFACTURING, INC. STANDARD SALES TERMS AND
CONDITIONS".

Validity period: 07/28/2024

Price agreement: The offer with the stipulated prices applies to orders made within the above
mentioned validity period and for deliveries until 12/31/2024

Delivery time: The delivery time is approx. 1 - 2 weeks (ex works) after receipt of the order
for which all technical and commercial details have been clarified.

If we can be of any further assistance, please do not hesitate to contact us.

Best regards,

Reinhausen Manufacturing Inc.

This document was computer-generated and does not require a signature.

Please refer to the attached enclosures as applicable.



Kindly note:
Please settle prospective payments only to one of the below mentioned accounts.

ETOS®. Automation of power transformers - experience digitalization for yourself

Appendix:

- RM Standard sales terms and conditions
- RM Standard service terms and conditions

REINHAUSEN MANUFACTURING, INC.

STANDARD SALES TERMS AND CONDITIONS



Application: The predominant purpose of the transaction set forth in the Order Confirmation is for a sale of goods from Reinhausen Manufacturing, Inc. ("Seller") to Buyer and any services are merely incidental. To the extent the Order Confirmation reflects incidental or non-incidental services, the attached Reinhausen Manufacturing, Inc. Standard Service Terms and Conditions shall apply in addition to Reinhausen Manufacturing, Inc.'s Standard Sales Terms and Conditions.

General:

- a. This sale is made, and expressly conditioned on, Buyer's assent to the terms and conditions contained herein and no others. Notice of objection is hereby given to any different or additional terms and conditions whether major or minor in character. Buyer's acceptance of the product or service shall be conclusive evidence of Buyer's assent to the terms and conditions contained herein.
- b. This writing is intended as the final, complete and exclusive statement of the terms and conditions on which this sale is made. This writing supersedes all prior written agreements and correspondence and any oral agreements or representations made contemporaneously herewith.
- c. The terms and conditions contained herein will govern all future sales by Seller to Buyer unless otherwise agreed by Seller in writing.
- d. Quotations, proposals and other related documents, such as drawings, wiring diagrams, etc. and weight indications, are not binding upon Seller unless so specifically stated in writing. Seller retains exclusive ownership and copyrights of all documents. Drawings and other documents relating to quotations and/or proposals are to be returned without delay on demand if order is not placed.

Agreement Documents: The Order Confirmation and any attachments are the sole and exclusive agreement of Seller and Buyer for the products and services in the Order Confirmation, and no other document, will be part of this agreement. Terms contained in the Buyer's response to, or acknowledgment or acceptance of, this Order Confirmation, if any, that are additional to, or different from, the terms set forth herein (which terms would constitute a counter-offer by Buyer) are specifically rejected by Seller. Seller's offer to sell as provided in the Order Confirmation may not be modified by Buyer's counter-offers. Notwithstanding the foregoing, if this Order Confirmation is deemed an acceptance by Seller of a Buyer offer or counter-offer, then such acceptance is expressly made conditional on Seller's assent to all of the terms of this Order Confirmation, including those that are additional to, or different from, the terms of Buyer's offer or counter-offer. The terms and conditions of this Order Confirmation are subject to change without notice.

Prices: Prices are calculated to correspond with the cost situation at the time of the Order Confirmation. Seller reserves the right to adjust prices accordingly should the cost situation change. Prices quoted are valid for thirty (30) days unless

otherwise stated in the quotation. Changes in product specifications or deliveries shall be subject to change in prices.

Taxes: Buyer is responsible for and will pay all applicable taxes, charges, fees, levies, or other assessments imposed or collected by any governmental entity (or political subdivision thereof) worldwide on sales of products or services, or sales, use, transfer, goods, and services or value added tax or any other duties or fees related to any payment by Buyer to Seller for products and/or services provided to Buyer under or pursuant to the Order Confirmation.

Terms of Payment and Acceptance:

- a. An invoice will be issued when the products set forth in the Order Confirmation are shipped or when the services set forth in the Order Confirmation are scheduled, and terms of payment are net within thirty days from date of invoice unless different terms were stated by the seller in the quotation/order confirmation.
- b. If payments are not made in accordance with these terms, a service charge will, without prejudice to any rights of Seller, including that to immediate payment, be added to the account of Buyer in an amount equal to the lower of 1-1/2 % per month or fraction thereof or the highest legal rate on the unpaid balance.
- c. If, in the judgment of Seller, the financial condition of Buyer, at any time during the period of the contract, does not justify the terms of payment specified, Seller may require full or partial payment in advance.
- d. In the event Buyer becomes insolvent or insolvency or bankruptcy proceedings are instituted by or against Buyer under state and/or federal law, Seller may refuse to deliver products or to render services except for cash, including payment for all products previously delivered and services previously performed, may stop delivery of any products in transit or performance of any services in progress, and may, if permitted by applicable state and/or federal law, cancel this order and recover its proper cancellation charges from Buyer or Buyer's estate.

Terms of Delivery:

- a. Unless otherwise agreed in writing by Seller, all products are sold F.O.B. point of shipment, and do not include installation. Regardless of the manner of shipment, title to the goods and the risk of loss or damage thereto shall pass to Buyer upon delivery to the Buyer by Seller at the Buyer's location or upon tender to Buyer at Seller's location.
- b. Except in the case of F.O.B. destination shipments, Seller shall have no liability for concealed or other shipment damage. When shipment has been made on an F.O.B. destination basis, Buyer must unpack immediately and, if damage is discovered, must:

REINHAUSEN MANUFACTURING, INC.

STANDARD SALES TERMS AND CONDITIONS



- o Not move the product from the point of examination; retain shipping container and packing material;
 - o Notify the carrier of any apparent damage in writing on the carrier's delivery receipt and request the carrier to make an inspection;
 - o Notify the Seller's location for which the shipment originated within 72 hours of delivery; and
 - o Send Seller a copy of the carrier's inspection report.
- c. The period for delivery shall be calculated from the date on which Seller has signed a written agreement accepting Buyer's order. The delivery period can only be maintained if all necessary documents, specifications, authorizations, etc. to be provided by Buyer have been received in due time, and all commitments as well as terms of payment agreed upon have been fulfilled. Should these prerequisites not be complied in due time, the delivery period will be extended appropriately.
- d. In the event of mobilization, war or insurrection or of strike or lock-out of the relevant departments of Seller or sub-suppliers, or of a rejection of an important component or of other circumstances beyond Seller's control, thus preventing Seller from timely carrying out its obligations, the delivery period will be extended appropriately.
- e. Seller will endeavor to keep to the indicated delivery periods to the best of its ability. Seller, however, shall have no liability for damages due to delay, and Buyer shall have no right to cancel its order, unless Seller and Buyer have executed a separate written agreement in this respect.
- f. Partial deliveries are permissible.

Risk of Loss:

- a. Regardless of the manner of shipment, all risk of loss or damage will pass to Buyer upon the earlier of (1) tender to the carrier at the factory or warehouse of Seller or (2) if shipment is delayed at Buyer's request, at the time the product is ready for shipment. If requested by Buyer in writing, Seller will insure the product against shipment damage at Buyer's expense.
- b. Shipment shall not be delayed at Buyer's request except on terms that will indemnify Seller against all loss and additional expense including, but not limited to, demurrage, handling and storage charges. If requested by Buyer in writing, Seller will insure the product for the period of such delay at Buyer's expense.

Limited Warranty:

- a. Except as otherwise agreed to in writing by Seller, Seller warrants that the products manufactured by it and services performed by it will be free of defects in workmanship and material for the period of (2) year from the date of shipment or performance. This limited warranty does not cover, and Seller makes no warranty

regarding, the following: (1) parts that are not manufactured by Seller; (2) defects or failures caused by accident or improper handling or installation by persons other than Seller; (3) defects or failures caused by the failure to use or maintain the products according to Seller's recommendations; (4) products manufactured pursuant to plans, specifications, drawings or designs submitted or approved by Buyer; and (5) defects or failures caused by alteration, modification, or repair of products by persons other than Seller. This warranty extends to Buyer only and does not extend to any transferee, assignee or successor of Buyer.

- b. THIS SALE IS MADE WITHOUT ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE DESIGN, FITNESS, CAPACITY, QUALITY OR ANY OTHER MATTER CONCERNING THE PRODUCTS EXCEPT AS SET FORTH IN THE PRECEDING PARAGRAPH WITHOUT LIMITING THE FOREGOING, THIS SALE IS MADE WITHOUT ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT, ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED.

Exclusive Remedy; No Consequential Damages

- a. In the event any product or service supplied hereunder fails to comply with the limited warranty set forth in the preceding section and Buyer provides written notice to Seller within two years from the date of shipment or performance, Seller will correct such nonconformity by repair or, at its option, by replacement of the defective part, parts or service F.O.B. its factory or repair facility. In no event shall Seller be responsible for gaining access to the product, disassembly, reassembly and transportation of the product or parts from and to the place of installation. If Seller is unable to remedy the defect within a reasonable time, Seller shall, at its election and in its discretion, either replace the product or refund the purchase price.
- b. THE REMEDIES PROVIDED FOR IN THIS SECTION SHALL BE THE SOLE AND EXCLUSIVE REMEDIES FOR SELLER'S BREACH OF THE LIMITED WARRANTY SET FORTH HEREIN.

Limitation of Liability:

- a. TO THE EXTENT PERMITTED BY APPLICABLE LAW, UNDER NO CIRCUMSTANCES SHALL SELLER ITS AFFILIATES ITS CONTRACTORS AND SUPPLIERS OF ANY TIER, BE LIABLE IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE FOR DAMAGE OR LOSS OF OTHER PROPERTY OR EQUIPMENT, LOSS OF PROFITS OR REVENUE, LOSS OF USE OF EQUIPMENT OR POWER SYSTEM, COST OF CAPITAL, COST OF PURCHASED OR REPLACEMENT POWER OR TEMPORARY EQUIPMENT (INCLUDING ADDITIONAL EXPENSES INCURRED IN USING EXISTING FACILITIES), CLAIMS OF CUSTOMERS OF SELLER, OR FOR ANY SPECIAL, PUNITIVE,

REINHAUSEN MANUFACTURING, INC.

STANDARD SALES TERMS AND CONDITIONS



INCIDENTAL, OR CONSEQUENTIAL DAMAGES WHATSOEVER.

- b. THE TOTAL CUMULATIVE LIABILITY OF SELLER WITH RESPECT TO THIS CONTRACT OR ANYTHING DONE IN CONNECTION THEREWITH SUCH AS THE PERFORMANCE OR BREACH THEREOF, OR FROM THE MANUFACTURE, SALE, DELIVERY, RESALE, OR USE OF ANY PRODUCT COVERED BY OR FURNISHED UNDER THIS CONTRACT, WHETHER IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE, SHALL NOT EXCEED THE PRICE OF THE PRODUCT, PART OR SERVICE ON WHICH SUCH LIABILITY IS BASED.

Termination: Any order or contract may be terminated by Buyer only by written notice and upon payment of reasonable and proper termination charges, including but not limited to all costs identified to the order or contract which have been incurred up to the date of notice of termination. All additional costs resulting from the termination and 10% of the final net price will be included in the termination charges to compensate for disruptions in scheduling, planned production and other direct costs. Payment shall be made within 30 days from date of invoice.

Force Majeure: Notwithstanding anything contained in these terms and conditions to the contrary, neither Seller nor Buyer shall be liable for failure of performance hereunder if occasioned by war, declared or undeclared, acts of terrorism, civil unrest, epidemic, pandemic, riots, strikes, labor disputes, work stoppages, international or malicious acts of organized opposition, governmental actions including without limitation shelter-in-place orders, orders, restrictions or regulations, interruption of transportation, delays, prohibition of import or export of goods, embargo, closure of public highways, railways, airways or ports, seizure under legal process, acts of God, including without limitation, tornado, hurricane, cyclone, windstorm, tidal wave, earthquake, flood, fire, power failure, water sprinkler leakage, insect, explosion or any other cause beyond the control of Seller or Buyer. Any suspension of performance by reason of force majeure shall be limited to the period during which the cause of failure exists. The party claiming Force Majeure shall give prompt written notice to the other of any such event or circumstance, and the notifying party shall cooperate in good faith with the other to minimize and mitigate the impact of any such event or occurrence and do all things commercially reasonable under the circumstances to achieve such goal. No adjustments to pricing and schedule shall be made to account for a Force Majeure event and its resulting impact on the work, without prior written approval of Seller and Buyer.

Held Orders: Any orders held or delayed or rescheduled at the request of Buyer will be subject to the prices and conditions of sale in effect at the time of the release of the hold or the reschedule. Any such order held, delayed or rescheduled beyond a reasonable period of time will be treated as a Buyer termination. When a product is ready for shipment and shipment cannot be made because of reasons beyond Seller's control, Seller shall submit an invoice for such product payable upon receipt thereof and shall, upon

written notice to Buyer, store such product. In such event, the following conditions shall apply:

- a. Risk of loss of the product shall pass to Buyer upon moving such product to storage; and
- b. All expenses, incurred by Seller in connection with the storage of the product including demurrage, the cost of preparation for storage, storage charges, insurance if placed, and handling charges shall be payable by Buyer upon submission of invoices by Seller.

Cancellation by Seller: Seller shall have the right to cancel the contract at any time by written notice for any breach of the contract by Buyer.

Procedure for Returning Products: Authorization and shipping instructions for the return of any product must be obtained by Buyer from Seller before returning the product. The product must be returned with complete identification in accordance with Seller's instructions or it will not be accepted. Where Buyer requests authorization to return a product for reasons other than breach of warranty by Seller, Buyer will be charged for placing the returned goods in salable condition (restocking charge) and for any outgoing and incoming transportation paid by Seller. In no event will Seller be responsible for a product returned without proper authorization and identification and payment of costs related thereto.

Export Packaging: Prices include products having standard domestic packing only. Any request by Buyer for packing for overseas shipment shall result in addition to the contract price.

Minimum Billing: The minimum billing charge shall be \$50 plus transportation charges as indicated in the "Terms of Delivery" section above.

Product Notices: Buyer shall provide the user (including its employees) of the product with all Seller's supplied product notices, warnings, instructions, recommendations and similar materials.

Additional Conditions Applicable to Nuclear Applications:

- a. In the event that Buyer or third parties use the product or any part thereof in connection with any activity or process involving nuclear fission or fusion or any use or handling of any source, special nuclear or byproduct material as those materials are defined in the U.S. Atomic Energy Act of 1954 as amended, Buyer, at no expense to Seller, shall have arranged for insurance coverage, indemnities, waivers of liability, recourse and subrogation in such amounts and under such terms and conditions as may be acceptable to Seller, and fully adequate in the opinion of Seller to protect Seller (and its subcontractors or suppliers of any tier) against any and all loss, costs, damage or expenses and claims and demands therefore, in contract, in tort or otherwise, including the cost of investigating, litigating and/or settling any such claims or demands, on account of bodily injury, sickness, disease or death to any person or the loss of, loss of use of or damage to the property of any person whether located on or off the site of a nuclear installation, arising out of or resulting from the

REINHAUSEN MANUFACTURING, INC.

STANDARD SALES TERMS AND CONDITIONS



radioactive, toxic, explosive or other hazardous properties of source, special nuclear or byproduct materials, as those materials are defined in the U.S. Atomic Energy Act of 1954 as amended.

- b. In the event that Buyer resells, distributes or in any way relinquishes control of the product or services to a third party, Buyer shall require from such third party compliance with all requirements under this Section, and (2) assurance that any subsequent buyer of the product or services shall comply with all requirements under this Section.
- c. Seller shall not be obliged to deliver the product until such insurance, indemnities and waivers have been produced by Buyer and are legally operative in Seller's favor, and upon Buyer's failure to do so, Seller may rescind the sale without liability for damages of any nature.

Governing Law: The terms and conditions of this contract shall be governed by and construed and enforced in accordance with the laws of the state of Tennessee without giving effect to the principles of conflicts of law.

Assignment: The rights and obligations under this contract shall not be assigned or delegated by Buyer without prior written consent of Seller. Any attempted assignment or delegation in contravention of this Section shall be void.

Remedies: The warranties and remedies available to Seller under the terms of this contract shall be cumulative in addition to those implied or available at law. No waiver of any breach of this contract shall be construed to constitute a waiver of any other breach or of any provisions hereof.

Consent to Jurisdiction: Buyer hereby irrevocably submits to the jurisdiction of any Tennessee court sitting in Gibson County, Tennessee and the United States District Court for the Western District of Tennessee over any action or proceeding arising out of or relating to this contract or the products and agrees that all claims in respect of such action or proceeding may be heard and determined in any such court. Buyer further agrees that venue for any such action shall lie exclusively with courts sitting in Gibson County, Tennessee and the United States District Court for the Western District of Tennessee, unless Seller agrees to the contrary in writing. Seller agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

Expenses and Attorneys' Fees: Buyer agrees to pay any and all costs and expenses (including without limitation, reasonable attorneys' fees and litigation expenses) incurred by Seller and arising out of or relating to Buyer's breach of any covenant or agreement or the incorrectness or inaccuracy of any representation and warranty made by Buyer.

Amendment and Waiver: This contract cannot be amended, changed or modified, except by a writing signed by both parties. No acceptance of less than full, conforming performance by either party shall be deemed a waiver of that party's right to full, conforming performance at a subsequent time. Parole or extrinsic evidence and evidence of course of

dealing, usage of trade or course of performance shall be inadmissible to contradict the express terms of this contract or to supply any additional terms.

Severability: In the event that any one or more terms or provisions hereof shall be held void or unenforceable by any court, all remaining terms and provisions hereof shall remain in full force and effect.

Writings: If the terms hereof require that any consent, agreement or other item be provided in "writing," then such consent, agreement or other item must include a hand-written signature. Emails, voice mails and other forms of records that do not require handwritten signatures shall not qualify as a "writing" for the purpose hereof.

Intellectual Property: Buyer grants Seller all rights and licenses necessary for Seller and its affiliates to use, transfer, pass-through, and sell the products and services and to exercise the rights granted under this contract. Buyer shall not use the name or trademarks of Seller or its affiliates or refer to or identify Seller or its affiliates in any marketing materials (including without limitation testimonials or customer listings) or press releases without the prior written consent of Seller.

Ownership of Products: All work products developed by Seller and provided to Buyer under this contract are and shall remain the personal property of Seller.

Indemnification: Buyer agrees to defend, hold harmless, and indemnify Seller and its affiliates from any claim (including without limitation costs, expenses and attorney's fees) arising from (1) claims that any of Buyer's specifications infringe on any intellectual property rights, and (2) the failure of Buyer to comply with its warranties and obligations under this contract.

Insurance: Buyer shall obtain and maintain all applicable and appropriate insurance, (including, without limitation, business, workers' compensation, auto, errors and omissions, professional and commercial general and liability insurance) in an amount consistent with Buyer's industry practice.

REINHAUSEN MANUFACTURING, INC.

STANDARD SERVICE TERMS AND CONDITIONS



Application: The predominant purpose of the transaction set forth in the Order Confirmation is for Technical Service from Reinhausen Manufacturing, Inc. ("Seller") to Buyer and any services are merely incidental. To the extent the Order Confirmation reflects incidental or non-incidental services, Reinhausen Manufacturing, Inc.'s Standard Service Terms and Conditions shall apply in addition to the attached Reinhausen Manufacturing, Inc. Standard Sales Terms and Conditions.

Workplace Safety: Prior to performance of any of the services set forth in the Order Confirmation, Buyer shall conduct a workplace hazard assessment for the site where the services set forth in the Order Confirmation are to be performed. This assessment shall identify all site hazards and inform Seller's technicians of accident procedures and evacuation plans. Buyer shall also prepare a written certification labeled "Certification of Hazard Assessment" certifying that the workplace hazard assessment was completed for the services set forth in the order confirmation. In addition to the workplace hazard assessment, Buyer shall ensure that a pre-job meeting and/or pre-job brief is provided to Seller's technicians to perform the services set forth in the Order Confirmation. Buyer shall document that a pre-job meeting occurred and/or document that Seller's technicians received a copy of the pre-job brief. Buyer shall also ensure that upstream and downstream isolation switches are open, grounds have been placed on all windings (HV, LV & TV), and that appropriate lock-out/tag-out procedures have been followed. In the event that the services set forth in the Order Confirmation must be performed when equipment is energized, the tap changer must be locked on a fixed tap. If an unsafe condition arises, Seller's technicians reserve the right to stop work until the unsafe condition is corrected.

Authority: Seller's technicians are expressly without authority to bind Seller or REINHAUSEN to any contract, agreement or acknowledgment of liability.

Staffing: Seller reserves the right to assign which of its technicians will carry out the services set forth in the Order Confirmation. The assignment of Seller's technicians is dependent on the services set forth in the Order Confirmation, the site where the services are to be performed, and the availability of Seller's technicians. Buyer must make requests for specific service dates at least three weeks before services are to be performed so that attempts can be made to honor the requested service date. Any preliminary work to take place at the Seller's Humboldt, Tennessee facility will be billed at flat rate equal to the hourly service rate set forth in the Order Confirmation multiplied by the sum of total number of work days and total number of Seller's technicians used to perform the services set forth in the Order Confirmation.

REINHAUSEN Specialists: If it is necessary that an REINHAUSEN Specialist performs any of the services set forth in the Order Confirmation, Buyer shall obtain and provide the REINHAUSEN Specialist with the necessary entry visas and work permits prior to departure of the REINHAUSEN Specialist. All terms and conditions referring to Seller's technician shall apply equally to an REINHAUSEN Specialist.

Auxiliary Equipment and Personnel: Buyer shall supply all necessary auxiliary equipment (e.g., lifting devices, oil containers, oil pumps, scaffolding, etc.) and personnel. Buyer is also responsible for obtaining auxiliary personnel to drain tap changer oil, handle tap changer oil, vacuum fill tap changer oil and dispose of waste tap changer oil.

- a. Buyer agrees to defend and indemnify seller for any and all liability arising from delays in obtaining necessary auxiliary equipment and/or personnel, but for liability arising out of Seller's own negligence.
- b. Buyer agrees to defend and indemnify seller for any and all liability arising out of Buyer's procurement, installation and/or operation of necessary equipment, but for liability arising out of Seller's own negligence.
- c. Buyer agrees to defend and indemnify Seller for any and all liability arising out of auxiliary personnel's work, but for liability arising out of Seller's own negligence.

Cancellation: Buyer shall pay a twenty percent cancellation fee services set forth in the Order Confirmation that Buyer cancels within ten days of the mobilization date for such services.

Re-Stocking: Buyer shall pay a twenty percent restocking fee for parts ordered and shipped to Buyer or the site where services are to be performed that Buyer subsequently returns.

Delay: Buyer is responsible for all costs arising from delays in the performance of the services set forth in the Order Confirmation other than delays attributable to Seller.