

1. DEFINITIONS. As used in these Terms and Conditions (hereinafter, "Terms"), "MIT" means Maddox Industrial Transformer, LLC and its employees, agents, officers, assigns, and representatives. "Customer" means the party purchasing a product directly from MIT. MIT and Customer may be referred to herein individually as "Party" or collectively as the "Parties". "Quote" or "Quoted" refers to only the written quotation document provided by MIT to the Customer, and the terms and conditions contained in any Quote provided to Customer are hereby incorporated by reference into these Terms. In the event of any conflict between these Standard Terms and Conditions and a Quote, the Standard Terms and Conditions shall prevail.

2. TERMS OF SALE/RENTAL. Should Customer offer to purchase and/or rent any equipment, services, or other items (hereafter, "Equipment") from MIT, MIT's acceptance of such is conditioned upon Customer's assent to these Terms. ANY TERM, PROVISION, OR CONDITION IN CONFLICT WITH, IN ADDITION TO, OR IN MODIFICATION OF THESE TERMS, INCLUDING THOSE CONTAINED IN ANY PURCHASE ORDER, SHALL NOT BE BINDING UPON MIT UNLESS SUCH IS ACCEPTED IN WRITING BY AN AUTHORIZED REPRESENTATIVE OF MIT.

3. PRICE QUOTES; STANDARD PAYMENT TERMS. Unless agreed to in writing by the Parties, prices Quoted by MIT are current at the date of Quote and shall be subject to revision. Prices Quoted shall expire on the earlier of (a) Customer's receipt of new prices, or (b) ten (10) days from the date of Quote, unless MIT receives a valid and complete purchase order before such time. Customers with payment terms requiring full payment prior to shipment shall have thirty (30) days to meet the terms once the equipment is ready to ship. Customers not meeting payment terms within thirty (30) days are subject to order cancellation and other fees.

4. SECURITY INTEREST. Customer grants and MIT retains a security interest in the Equipment until such time that the purchase price and any other amounts due to MIT by Customer are paid in full. MIT reserves the right to file such appropriate UCC financing statements to perfect its security interest in the Equipment.

5. DELAYED SHIPMENT. Customers seeking to delay shipment may enter into a written Bill & Hold Agreement with MIT once payment terms are met, and storage will not exceed ninety (90) days unless otherwise specified in writing. In the event order storage exceeds 90 days, the order shall be subject to cancellation and other fees.

6. TITLE AND DELIVERY. All deliveries shall be either FCA, or CPT (Incoterms 2020) MIT's location. All Delivery dates are estimates and under no circumstances does MIT guarantee the date of Delivery.

- a) In the case of Equipment purchase, risk of loss and title to all Equipment furnished by MIT shall pass directly to Customer at MIT's location.
- b) In the case of Equipment rental, risk of loss to all Equipment furnished by MIT shall pass directly to Customer at MIT's location, provided however that title to and in the Equipment shall at all times remain with MIT.

7. RENTAL. Should Customer rent Equipment from MIT: Customer shall be liable for the return of the Equipment to MIT's location on the date set forth in the sales order in the same condition as it was sent, ordinary wear excepted. In the event that any of MIT's Equipment is lost, stolen, taken by eminent domain, destroyed or damaged after the time the Equipment leaves MIT's location, Customer shall continue to pay rent on the Equipment until (a) the Equipment is returned and Customer pays MIT the full cost to repair the Equipment or (b) Customer pays MIT the full replacement cost (i.e. the retail cost) of the Equipment.

During the term of any Equipment rental, Customer shall (i) keep the Equipment free from all liens and encumbrances and shall promptly have discharged or bond over any liens that are asserted against the Equipment; (ii) not remove the Equipment from Customer's premises to which it was first delivered; (iii) not remove any labels, markings, warnings, or logos from the Equipment; (iv) comply with all laws, ordinances, permits and regulations applicable to the possession, installation, repair, maintenance, operation or use of the Equipment; (v) always identify the Equipment as being owned by MIT and allow MIT reasonable access to the Equipment; (vi) operate and use the Equipment in a careful and proper manner; and (vii) keep the Equipment insured against all risk of loss or damage from every cause whatsoever for not less than the replacement cost of the Equipment without consideration for depreciation (with MIT listed as loss payee), and carry workers' compensation, employer's liability, and comprehensive general liability (and the commercial general liability insurance shall name MIT as an additional insured), in amounts and with carriers reasonably acceptable to MIT.

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8. CANCELLATION OR REVISIONS. A purchase order may be canceled or revised only upon written approval by MIT in its sole discretion. In the case of Equipment purchase, cancellation charges for in-stock units purchase order shall not be less than 25% of the Equipment price, and due upon invoicing, unless written consent is made by MIT. Made-to-order units are non-refundable. In the case of Equipment rental, cancellation charges for a purchase order shall not be less than 25%. In the event MIT does not approve such cancellation or revision, Customer shall remain liable for the full price of the Equipment purchased or the full rental price of the Equipment.

9. PURCHASE AND RENTAL WARRANTY. The only warranty applicable to the purchase of Equipment shall be such written warranty provided for on the Quote and set forth on corresponding MIT Warranty document(s). Specifically, Customer acknowledges reading and understands that the only warranty applicable to the Equipment shall be the written warranty provided for on this sales order or rental agreement and set forth on the corresponding MIT warranty document(s) on the MIT website at the following hyperlink: <https://www.maddoxtransformer.com/resources/terms-and-conditions>. Any warranty provided by MIT with respect to the Equipment shall have no force or effect unless and until full payment for such Equipment has been received by MIT. MIT MAKES NO WARRANTIES, EXPRESS OR IMPLIED AS TO THE DESIGN OR CONDITION OF THE EQUIPMENT EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THE CORRESPONDING MIT WARRANTY DOCUMENT(S), AND EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

10. INDEMNITY AND RELEASE. Customer agrees to indemnify MIT and hold it harmless from any and all claims and expenses, including attorney's fees and costs, arising from (a) the design, manufacture, installation, location, repair, maintenance, operation or use of the Equipment; or (b) Customer's or its agents', employees', or representatives' negligence, willful misconduct or breach of these Terms. By using the Equipment, Customer hereby agrees to release MIT from any and all claims, obligations, damages (actual or consequential), and/or cost that Customer may incur arising out of, or in any way, related to the Equipment.

11. LIMITATION OF DAMAGES. CUSTOMER UNDERSTANDS AND AGREES THAT IN NO EVENT SHALL CUSTOMER OR ANY THIRD PARTY BE ENTITLED TO THE RECOVERY OF INDIRECT, EXEMPLARY, ACTUAL, CONSEQUENTIAL, INCIDENTAL, SPECIAL, LIQUIDATED, PUNITIVE, OR OTHER DAMAGES. Customer agrees and acknowledges that no special circumstances are present or contemplated by the Parties that would entitle Customer to consequential or special damages. Customer's maximum remedy for a breach of these Terms is the recovery of monies paid to MIT for the Equipment involved in the breach.

12. FORCE MAJEURE. MIT shall not be liable for failures in performance due to acts beyond its control, including, but not limited to, acts of God, embargo, stoppage of labor, failure to secure materials or labor from usual sources of supply, riots, acts of war, fire, and acts of governmental or military authorities.

13. MEDIATION, ATTORNEY'S FEES, and GOVERNING LAW. South Carolina law shall govern the terms of this arrangement, the performance of the Parties under this arrangement, and any dispute that may arise between the Parties. In the event of any dispute with respect hereto the Parties may only bring suit in state or federal court within the State of South Carolina. Customer therefore agrees to submit to the jurisdiction of South Carolina courts in connection herewith. Before initiating any litigation, the Customer agrees to submit the dispute to mediation prior to initiating any litigation against MIT. The site of mediation shall be Greenville, South Carolina. If any action or proceeding shall be commenced to enforce these Terms, or any right arising in connection with these Terms, the prevailing Party shall be entitled to recover from the other Party, reasonable attorneys' fees, costs, and expenses incurred.

14. SEVERABILITY, NO-ASSIGNMENT, NON-WAIVER, and ENTIRE AGREEMENT. Every provision of these Terms is intended to be severable. If any term or provision is illegal, invalid, or unenforceable, such shall not affect the remainder. In lieu of such illegal, invalid, or unenforceable provision, there shall be added automatically, as part of these Terms, provisions similar in terms as necessary to render such provision legal, valid, and enforceable. MIT's failure to enforce any or all of these Terms shall not constitute a waiver of its rights with respect to the same or any subsequent breach. Customer agrees not to assign or otherwise transfer its rights or obligations under these Terms without written consent of MIT which consent may be withheld in MIT's sole discretion. No permitted sublease shall relieve the Customer of its obligations under these Terms. These Terms state the entire agreement between the Parties, are binding and controlling, and supersede all prior proposals, communications, and understandings, whether oral or written between the Parties relating to the subject matter of these Terms.

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