

**PURCHASE ORDER
STANDARD TERMS AND CONDITIONS**

1. AGREEMENT: This set of Terms and Conditions is incorporated into the Purchase Order for RFP # 24-0035 in its entirety and, upon execution of the Purchase Order by New Braunfels Utilities, a Texas municipally owned utility (“Buyer”), and Virginia Transformer Corp., a Virginia corporation authorized to transact business in the State of Texas (“Seller”), constitutes a portion of the Parties’ Agreement. No change, modification or revision to the Agreement shall be binding unless made in writing and signed by the Parties. Buyer will not in any manner be responsible for goods delivered or work done for Buyer’s account without a written order.

2. ACCEPTANCE: Acceptance of this Purchase Order shall be deemed effective upon Buyer’s execution of this Purchase Order or upon shipment of the goods that are the subject of this Purchase Order, whichever occurs first. Any bid made by Seller for additional or different terms and conditions or any attempts by Seller to vary, in any degree, any of the terms and conditions of this Purchase Order is hereby rejected.

3. COMPLETION: Time is of material importance in the performance of this Purchase Order. If Seller fails to effect delivery or performance of the associated services required by Buyer in accordance with the Project Schedule, Delivery Schedule, or other time requirements as communicated to Seller in the Purchase Order or its attachments and fails to provide a mutually agreed upon plan to cure, in addition to its other rights and remedies hereunder, Buyer shall have the right to terminate this Purchase Order by written notice effective when received by Seller but after allowing Seller to provide a remediation plan within seven (7) business days of receipt of such notice of termination. Such termination shall be effective as to goods not yet received by Buyer or services not yet rendered, regardless of their transit status. Thereafter, Buyer shall have the right to purchase substitute goods or services elsewhere and to the extent the cost of such substitute goods or services exceeds the amount Buyer would have paid Seller for such goods and services under this Purchase Order, Buyer shall be entitled to reimbursement of such amount from Seller or a credit against any amount then owed to Seller by Buyer under this Agreement. In the event the Buyer needs to postpone delivery prior to factory acceptance testing for greater than 20 days, it is understood that Seller will continue with the manufacturing schedule and place the completed goods into storage until Buyer is ready to receive shipment. In the event the Buyer needs to postpone delivery after factory acceptance testing for greater than 30 days, it is understood that Seller will place the completed goods into storage until Buyer is ready to receive shipment.

4. PRICES: Seller warrants that the prices shown hereunder are the prices quoted to Buyer at the time of sale in Exhibit A and include all costs incurred by Seller for shipment of all goods included in this Purchase Order. In the event of any price reduction between execution of the purchase order and delivery of the goods, Buyer shall be entitled to such reduction.

5. SHIPMENT AND DELIVERY: All goods made the subject hereof are to be suitably prepared and packaged for shipment in accordance with good commercial practice so as to effect safe delivery and freedom from weather or other damage and to meet the carrier’s requirements. All damages to such goods occurring prior to delivery to Buyer will be charged to

Seller. No charges will be allowed for packing, crating or carriage unless stated in this Purchase Order. If, in order to comply with Buyer's required delivery date it becomes necessary for Seller to ship by a more expensive way than specified in this Purchase Order, any such increased transportation costs shall be paid by Seller. Goods shall be shipped from Seller to Buyer F.O.B. destination to the location specified in writing by Buyer. Seller shall complete delivery and commissioning between November 4, 2025, and January 21, 2026, for both Item 1 units described in Exhibit B, and between February 27, 2026, and June 19, 2026, for the one Item 2 unit described in Exhibit B. Cost of all return shipments, for repair or replacement within the warranty period set forth herein, shall be borne by Seller with title and risk of loss passing to Seller at the Buyer's point of shipment.

6. INSPECTION: Buyer shall have a reasonable time after delivery or performance to inspect the items delivered or the services performed not to exceed thirty (30) business days from delivery. All such items or services must conform to the specifications, instructions, drawings and data set forth on the face hereof. Within the period set forth herein, Buyer may reject and refuse acceptance of any items or services which do not so conform. Buyer shall notify Seller of such rejection by either notice in writing and by the return to Seller of the rejected items at Seller's expense and risk.

7. REJECTION OF MATERIALS AND WORKMANSHIP: Buyer shall have the right to reject furnished materials and workmanship that are defective or otherwise fail to meet the terms and conditions of this Purchase Order, including but not limited to the technical specifications in Exhibit B (the "Contract Documents") and require their correction. Rejected goods shall be satisfactorily replaced with proper materials without charge to Buyer, and Seller shall promptly segregate and remove rejected materials from the Project site or point designated. If Seller does not correct defective workmanship or replace the rejected materials within the agreed upon time, Buyer may do so and the Parties will agree to a fair and equitable adjustment of price for the furnished materials and workmanship that are defective or otherwise fail to meet the terms of the Contract Documents.

8. SHOP DRAWINGS, SUBMITTALS, QUALITY OF GOODS: Seller shall confirm that all materials are in strict accordance with the Contract Documents or requirements published by Buyer. Where required, prior to shipment, Seller shall provide shop drawings or submittals sufficient to demonstrate compliance with this Purchase Order and the Contract Documents for Buyer's review and approval. All goods and work of Seller shall conform to all applicable express and implied warranties and be of a good and workmanlike manner. A failure of Buyer during the progress of the work to discover or reject materials not in accordance with the Contract Documents shall not be deemed an acceptance thereof or a waiver of defects therein. No payment, use of goods provided by Seller, or occupancy of the Project site by Buyer shall be construed as an acceptance of materials which are not strictly in accordance with the Contract Documents.

9. RESPONSIBILITY FOR COMPLETION: Seller represents that it has examined the job's specifications, construction schedule, plans, drawings, and other documentation in the Contract Documents which Seller acknowledges are full and complete and are sufficient to enable Seller to determine the cost of the materials and has fully acquainted itself with all conditions relevant to the work and materials on the Project site and assumes the risk of any variance between

the actual conditions and those set out in Contract Documents. Any failure by Buyer at any time, or from time to time, to enforce or require the strict keeping and performance of any of the terms or conditions of this Purchase Order shall not constitute a waiver of such terms or conditions and shall not affect or impair such terms or conditions in any way, or the right of Buyer at any time to avail itself of such remedies, as it may have for any breach or breaches of such terms or conditions.

10. WARRANTIES / GUARANTEES:

- (A) For the period set forth below in this section, Seller warrants that each newly manufactured item sold hereunder, and such portion of a repaired/refurbished item as has been repaired or replaced by Seller under this warranty, shall be free from defects in material, workmanship, or title and shall perform during the warranty period in accordance with the specifications incorporated herein. Should any failure to conform to these warranties be discovered, then (i) Seller shall correct such failure by, at Seller's exclusive option, repair or replacement of the nonconforming item or portion thereof at Buyer's place of business, with Buyer promptly making product available to be worked by Seller's personnel or agents, or (ii) Buyer making available F.O.B origin to a location specified by Seller, with Seller's written return authorization, at Seller's exclusive option, for repair or replacement of the nonconforming item or portion thereof. Buyer agrees that this remedy shall be its sole and exclusive remedy against Seller for defects in material, workmanship, title or non-performance of the goods and that no other remedy shall be available or pursued by Buyer against Seller for the same. In no event shall the Seller be liable for any costs or expenses in excess of those described in this paragraph for defects in material, workmanship, title or non-performance of the goods and expressly excluding any liability or damages for special, incidental, or consequential damages.
- (B) **SELLER'S INSTALLATION WARRANTY:** Seller warrants that all work hereunder shall be performed in accordance with the standards applicable to such industry in this country. Seller disclaims any and all other representations or warranties expressed or implied including without limitation any representation or warranty that a) any unauthorized entry, burglary, theft, embezzlement, or any other crimes will be prevented by the equipment and/or installation thereof or that b) any particular purpose or standard of care intended or desired or any particular results to be achieved by Buyer through the installation and operation of the items to be delivered hereunder. Seller's installation services and installation warranty does not include or imply any assistance for system field troubleshooting and no back charges for such services shall be accepted without prior written consent of Seller's authorized representative.
- (C) **EXTENDED WARRANTY PERIOD OPTION FOR CORE AND COIL:** The five (5) year warranty period shall include core and coils only against failure occurring with respect to normal operation and within the parameters for which the transformer was designed. For extended Warranty period, to ensure validity of Extended Warranty period coverage, Virginia Transformer requires Dissolved Gas Analysis (DGA) reports of the supplied unit to be collected and maintained every year for the period of extended warranty period coverage. The annual DGAs should be emailed to: FieldService@vatransformer.com upon the Seller's request. Failure to conduct annual DGAs may void the purchased extended

warranty. Except for the extended time period all other provisions, terms, conditions, and limitations set forth above shall apply to the extended warranty period. In case of any disturbance in the system that causes the transformer to trip off-line, the following information shall be forwarded to Virginia Transformer Corp within two (2) business days: Event summary with relevant data, Protection system data, Overvoltage conditions (If any), Fault data (if any) and offset timing with peak current value, Loading, Environmental and atmospheric conditions.

- (D) **EXTENDED BUMPER TO BUMPER WARRANTY PERIOD OPTION:** The five (5) year warranty will cover the entire transformer including core and coils and all associated transformer accessories against failure occurring with respect to normal operation and within the parameters for which the transformer was designed. Bumper to Bumper Warranty does not cover normal wear and tear including paint and gaskets beyond five years. For extended Warranty period, to ensure validity of Extended Warranty period coverage, Virginia Transformer requires Dissolved Gas Analysis (DGA) reports of the supplied unit to be collected and maintained every year for the period of extended warranty coverage. The annual DGAs should be emailed to: FieldService@vatransformer.com upon the Seller's request. Except for the extended time period all other provisions, terms, conditions, and limitations set forth above shall apply to the extended warranty period.
- (E) **IN/OUT COVERAGE OPTION:** Seller shall cover the expenses to transport the transformer to a repair facility and back to site for warranty failures occurring within a five (5) year period. Buyer will make the transformer ready for shipment in the condition it was originally received per the outline drawing contained in the owner's manual received by Buyer with the goods, with clear and free access by carrier. Craning, civil work, disconnection, and reconnection of the transformer is the responsibility of the Buyer.

11. INDEMNIFICATION: Neither party shall be liable to the other or for any incidental, indirect, special, punitive or consequential damages regardless of whether liability would arise under contract or tort (including negligence and strict liability), warranty, indemnity or otherwise. Neither party's liability on any claim for loss or damage arising out of this contract or from the performance or breach thereof shall exceed the price of such goods involved in the order. **TO THE FULLEST EXTENT PERMITTED BY LAW, SELLER SHALL INDEMNIFY AND HOLD HARMLESS THE BUYER, ITS DIRECTORS, AGENTS, EMPLOYEES, AND REPRESENTATIVES, FROM AND AGAINST ALL CLAIMS, LOSSES, COSTS, AND DAMAGES, INCLUDING BUT NOT LIMITED TO ATTORNEY'S FEES, ARISING OUT OF OR RESULTING FROM SELLER'S WORK OR A BREACH OF THIS AGREEMENT, PROVIDED THAT SUCH CLAIM, DAMAGE, LOSS OR EXPENSE IS ATTRIBUTABLE TO BODILY INJURY, SICKNESS, DISEASE OR DEATH OR TO INJURY TO OR DESTRUCTION OF PROPERTY, BUT ONLY TO THE EXTENT CAUSED BY THE NEGLIGENT ACTS OR OMISSIONS OF SELLER, A SUBCONTRACTOR, ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM, OR ANYONE FOR WHOSE ACTS THEY MAY BE LIABLE, EXCEPT THE CONTACTOR SHALL NOT BE OBLIGATED TO INDEMNIFY THE BUYER, OR ANY OTHER INDEMNIFIED PARTY, IF THE CLAIM WAS CAUSED BY THEIR FAULT, NEGLIGENCE, OR THEIR RECKLESS OR INTENTIONAL ACT.**

12. NO DAMAGES FOR DELAY: Seller shall have no right to claim any damages against Buyer, including consequential or incidental damages, as a result of delay. Extension of time

for Seller's performance is conditioned upon Buyer's approval of an extension of time to the contract or delays claimed by Seller. Failure of Seller to make a claim promptly shall be deemed a waiver of the right to a claim for an extension of time for the particular cause.

13. TERMINATION: Buyer may terminate this Purchase Order or any part thereof for cause in the event of any default by Seller, or if Seller fails to comply with any of the terms and conditions of this offer but will first allow Seller to provide a remediation plan to cure any alleged default as set out in Section 3. The Uniform Commercial Code of the State of Texas shall apply to Buyer's rights and remedies under commercial transactions. Buyer reserves all rights, remedies, and warranties, express and implied, under the UCC. Seller may not terminate this Purchase Order unless Buyer fails to provide payment for goods and/or associated services expressly accepted by Buyer. If Buyer terminates this Purchase Order for convenience, Buyer will pay the cancellation costs according to the termination fee schedule below:

- (A) If the Buyer terminates this Purchase Order for convenience after the order is entered by Seller but before the completed outline drawings are submitted to Buyer, Buyer will pay to Seller 30% of the order amount, which represents the costs incurred by Seller to begin the design drawings utilizing Buyer's specifications and the costs incurred by Seller to order components with extended lead times.
- (B) If the Buyer terminates this Purchase Order for convenience after the completed outline drawings are submitted to Buyer but before manufacturing of the goods has begun, in addition to the sums set forth in Section 13(A), Buyer will pay to Seller 15% of the order amount, which represents the full amount of the costs incurred by Seller to complete the design drawings utilizing the Buyer's specifications and obtain components with extended lead times.
- (C) If Buyer terminates this Purchase Order for convenience after manufacturing of the goods has begun, in addition to the sums set out in Section 13(A) and (B), Buyer will pay costs incurred by Seller in connection with this Purchase Order after manufacturing has commenced, including the costs relating to commitments for materials through the date of termination and costs incurred for manufacturing based upon percent completion.

14. TAXES: Buyer is exempted from all city, state, and federal excise taxes. DO NOT include tax on your invoice. Buyer's Tax Exempt Number is 1-74-6001783-7.

15. INSURANCE: In the event that Seller's performance hereunder requires or contemplates the performance of services by Seller's employees, or other persons under contract to Seller, whether such services are to be performed at the place of delivery of such goods or services, or elsewhere, Seller agrees that any such performance of services shall be done as an independent contractor and that the persons doing such work shall not be considered employees of Buyer.

In such event, Seller at its sole expense, shall obtain and maintain (a) WORKERS' COMPENSATION, including Occupational Disease insurance, meeting the statutory requirements of the State in which work is to be performed together with a Broad Form Other States Endorsement and containing Employers' Liability insurance in an amount of at least

\$1,000,000.00, each accident, policy limit, and each employee; (b) GENERAL LIABILITY insurance providing Premises-Operations, Elevators, Independent Contractors, Broad Form Property Damage, Contractual Liability, Products & Completed Operations coverages (which shall be maintained in force for a period of two years after substantial completion of the Project); and (c) AUTOMOBILE LIABILITY on occurrence basis covering all Owned or Non-Owned and Hired Vehicles, as applicable, with a limit of \$1,000,000 Bodily Injury & Property Damage Combined Single Limit.

Insurance shall be in at least the following minimum limits:

COMMERCIAL GENERAL LIABILITY:

Amounts of coverage shall be no less than:

- \$1,000,000 Per Occurrence
- \$2,000,000 General Aggregate
- \$2,000,000 Products/Completed Operations Aggregate
- \$1,000,000 Personal and Advertising Injury
- Designated Construction Project(s) General Aggregate Limit

AUTOMOBILE LIABILITY:

Amount of coverage shall be no less than:

- \$1,000,000 Per Accident

WORKERS' COMPENSATION

Amounts of coverage shall be no less than:

- Statutory Limits
- \$1,000,000 Each Accident, Employee, and Disease

All insurance (except Workers' Compensation) must include Buyer, its agents, representatives, officers, directors, officials, and employees as an additional insured (CG 2010 1001 and CG 2037 1001 or an equivalent on the general liability policy) to the fullest extent permitted by law for claims arising out of the performance of this Purchase Order. Any coverage afforded to the additional insured shall be primary and non-contributory. All policies shall contain a waiver of rights of recovery (subrogation) against Buyer, its agents, representatives, officers, directors, officials, and employees for any claims arising out of the services performed under this Purchase Order.

Seller shall furnish Buyer with satisfactory evidence that all insurance required by this Purchase Order has been obtained and paid for and will continue in full force and effect until the completion of the work. Evidence of insurance includes, but is not limited to, certificates of insurance, endorsements, schedule of forms and endorsements, or other policy language, but acceptance and reliance on such information will not waive or alter any way the insurance requirements or obligation under this Purchase Order. The Seller shall provide a minimum of five (5) days' written notice to Buyer in the event of cancellation. If Seller should contract out any of the work to a third

party, Seller shall cause said third party to carry the insurance required by this Purchase Order and to furnish evidence of same.

16. BONDS: To the extent the services required of Seller pursuant to this Purchase Order have an agreed value in excess of \$100,000, Seller shall provide a performance bond pursuant to Chapter 2253 of the Texas Government Code on a form acceptable to Buyer. To the extent the services required of Seller pursuant to this Purchase Order have an agreed value in excess of \$50,000, Seller shall provide a payment bond pursuant to Chapter 2253 of the Texas Government Code on a form acceptable to Buyer. Said forms shall be provided as an exhibit to this Purchase Order or provided to Seller for presentment to a licensed corporate surety for provision of the required bond. Seller's provision of a required bond on a form other than that proscribed by Buyer shall be rejected and may be grounds for termination of this Purchase Order by Buyer.

17. PAYMENT: Invoices will be paid according to agreed payment terms as reflected in this Section. Payment for the goods delivered under this Purchase Order shall not be acceptance of such goods. Goods shall only be deemed accepted when they have actually been counted, inspected, and tested by Buyer and found to be in conformance with this Purchase Order. However, failure to inspect or test by Buyer shall not relieve Seller of any responsibility hereunder. Subject to Chapter 2251 of the Texas Government Code, final payment shall not exceed sixty (60) days from delivery. The payment terms are (i) 30% with the drawing submission net 30 days; (ii) 60% upon factory acceptance testing, net 30 days; and (iii) 10% at field acceptance or placement into storage, not to exceed 30 days from shipment date. Seller must submit a written invoice to Buyer in conjunction with the payment terms described in the preceding sentence. In addition to any other rights or remedies available to Seller, failure to pay the amount(s) due within the time specified will result in a late charge of one and one-half percent (1- 1/2%) per month to Buyer's account until final payment provided such charge complies with Chapter 2251 of the Texas Government Code.

18. REMEDIES: The rights and remedies reserved to Buyer herein, except where expressly stated to be exclusive, shall be cumulative and in addition to any other or further rights and remedies provided by law or equity. No waiver of any breach of these provisions shall be deemed to constitute a waiver of any other breach.

19. ASSIGNMENT: Neither this Purchase Order nor any right or obligations herein may be assigned by Seller nor may Seller delegate the performance of any of its duties hereunder without in either case Buyer's prior written consent.

20. FORCE MAJEURE: Either party to this Purchase Order shall be free from liability for failing to perform hereunder if such failure is caused due to acts of God, labor difficulties, pandemics, epidemics, fires, or other causes beyond the reasonable control of the affected party. In the event that Seller is unable to perform for such reasons beyond its reasonable control, Buyer shall have the right to either continue the delivery dates until Seller is able to perform or terminate this Purchase Order.

21. DISPUTE RESOLUTION: In the event of disputes over price, quantity or quality, Buyer shall have the right to audit Seller's records in order to resolve the dispute. Pending resolution of

the dispute, amicably or otherwise, Seller shall proceed diligently with the performance of this Purchase Order as directed by Buyer. The Purchase Order shall be governed by the laws of the State of Texas. In the event that a dispute arises between Buyer and Seller, the parties agree to submit said disputes to the State District Courts of Comal County, Texas for resolution.

22. STORAGE: Seller will store the goods at the request of Buyer at Buyer's expense. Seller will provide a quote for such storage service to Buyer upon request. In the event a unit is put into a storage facility provided or secured by Seller, it is agreed that title will be retained by the Seller and the Seller will bear the risk of loss or destruction of the goods until the goods are delivered to Buyer. Subject to Chapter 2251 of the Texas Government Code, Buyer will be invoiced for work completed as of the date the goods are placed in storage and will pay the invoice due the later of the requested delivery date or thirty (30) days of receipt of the invoice. The invoice will be accompanied by factory test reports and pictures sufficient to demonstrate that the subject goods are complete and working. The Buyer further agrees that any unit put into storage will be afforded a minimum of three weeks advance notice before requested delivery out of storage.

23. REPRESENTATIONS:

Prohibition on Contracts with Companies Boycotting Israel. Seller hereby verifies that it and its parent company, wholly-or majority owned subsidiaries, and other affiliates, if any, does not boycott Israel and, to the extent this Purchase Order is a contract for goods or services, will not boycott Israel during the term of this Purchase Order as described in Chapter 2271 of the Texas Government Code, as amended. The foregoing verification is made solely to comply with Section 2271.002 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal and State law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Seller understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with Seller and exists to make a profit.

Contracts with Companies Engaged in Business with Iran, Sudan or Foreign Terrorist Organizations Prohibited. Seller represents that neither it nor any of its parent company, wholly-or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal or State law and excludes Seller and each of its parent company, wholly-or majority-owned subsidiaries,

and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Seller understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with Seller and exists to make a profit.

Prohibition on Contracts with Companies in China, Iran, North Korea, or Russia. If the Seller is granted direct or remote access to or control of critical infrastructure in the State of Texas under this Agreement, Seller represents the following:

- (A) it is not owned by or the majority of stock or other ownership interest in Seller is not held or controlled by:
 - i. individuals who are citizens of China, Iran, North Korea, Russia, or a country designated by the Governor of Texas as a threat to critical infrastructure under Section 2275.0103 of the Texas Government Code, as amended (“designated country”); or
 - ii. a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or
- (B) it is not headquartered in China, Iran, North Korea, Russia, or a designated country.

The foregoing representation is made solely to comply with Chapter 2275 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal or State law. As used in the foregoing verification, “critical infrastructure” means a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility. “Affiliate,” with respect to a company entering into an agreement in which the critical infrastructure is electric grid equipment, has the meaning assigned by the protocols of the independent organization certified under Section 39.151, Utilities Code, for the ERCOT power region.

Prohibition on Contracts with Companies Boycotting Energy Companies. Seller hereby verifies that it and its parent company, wholly-or majority owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, to the extent this Purchase Order is a contract for goods or services, will not boycott energy companies during the term of this Purchase Order as described in Chapter 2276 of the Texas Government Code, as amended.

The foregoing verification is made solely to comply with Section 2276.002 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal and State law. As used in the foregoing verification, “boycott energy companies” has the meaning used in Section 809.001 of the Texas Government Code, as amended. Seller understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with Seller and exists to make a profit.

Prohibition on Contracts with Companies that Discriminate Against Firearm and Ammunition Industries. Seller hereby verifies that it and its parent company, wholly-or majority owned

subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and, to the extent this Purchase Order is a contract for goods or services, will not discriminate against a firearm entity or firearm trade association during the term of this Purchase Order as described in Chapter 2274 of the Texas Government Code, as amended.

The foregoing verification is made solely to comply with Section 2274.002 of the Texas Government Code, as amended, and to the extent such Section does not contravene applicable federal and State law. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning used in Section 2274.001(3) of the Texas Government Code, as amended. Seller understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with Seller and exists to make a profit.

24. TEXAS PUBLIC INFORMATION ACT: Seller recognizes that NBU is subject to the disclosure requirements of the Texas Public Information Act (the “PIA”). As part of its obligations within this Purchase Order, Seller agrees, at no additional cost to NBU, to cooperate with NBU for any particular needs or obligations arising out of the NBU’s obligations under the PIA. This acknowledgement and obligation are in addition to and complimentary to the NBU’s audit rights.

This provision applies if the Agreement has a stated expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU or results in the expenditure of at least \$1 million in public funds for the purchase of goods or services by NBU in a fiscal year of NBU.

Seller must (1) preserve all contracting information related to the Agreement as provided by the records retention requirements applicable to NBU for the duration of the Agreement; (2) promptly provide to NBU any contracting information related to the Agreement that is in the custody or possession of Seller on request of NBU; and (3) on completion of the Agreement, either:

- (i) provide at no cost to NBU all contracting information related to the Agreement that is in the custody or possession of Seller; or
- (ii) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to NBU.

The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Purchase Order and Seller agrees that the Agreement can be terminated if Seller knowingly or intentionally fails to comply with a requirement of that subchapter.

25. ELECTRONIC SIGNATURES: Pursuant to Chapter 322 of the Texas Business and Commerce Code, as amended, the parties agree to the use of electronic signatures herein and that the use of an electronic signature, whether digital or encrypted, is intended to have the same force and effect as a manual signature. Electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. Each party further agrees that if it agrees to conduct a transaction by electronic means in this Purchase Order, it may refuse to conduct other transactions by electronic means and that such right may not be waived by this Purchase Order.

BUYER:
NEW BRAUNFELS UTILITIES,
a Texas municipally owned utility

By: _____
Name: _____
Title: _____

SELLER:
VIRGINIA TRANSFORMER CORP.,
a _____

By: _____
Name: _____
Title: _____

EXHIBIT A

	Item 1 (each)	Item 1 (2 units)	Item 2 (1 unit)	Total
Base Price	\$ 1,935,969	\$ 3,871,938	\$ 905,900	\$ 4,777,838
Freight	\$ 52,000	\$ 104,000	\$ 46,000	\$ 150,000
Offloading	\$ 30,459	\$ 60,918	\$ 30,459	\$ 91,377
Field Testing/Assy	\$ 64,725	\$ 129,450	\$ 64,725	\$ 194,175
SFRA	\$ 5,000	\$ 10,000	\$ 5,000	\$ 15,000
HV Bushing Spare	\$ 31,000	\$ 62,000	\$ 31,000	\$ 93,000
LV Bushing Spare	\$ 16,250	\$ 32,500	\$ 11,000	\$ 43,500
	\$ 2,135,403	\$ 4,270,806	\$ 1,094,084	\$ 5,364,890

EXHIBIT B

ITEM #1

Transformer Ratings

ITEM :1			QUANTITY #2
kVA	20,000 / 22,400 / 26,667 / 29,867 / 33,333 / 37,333	Application	POWER DIST.
Cooling Class	ONAN/ONAF/ONAF	Winding Temp Rise (Avg)	55/65 °C
# Phase	3	Dielectric Fluid	TYPE II MINERAL
Frequency (Hz)	60	Winding Mat	COPPER
HV Rating (V)	138,000 DELTA	LV Rating (V)	13,090 Y/7,558
HV BIL (kV)	550	LV BIL (kV)	150
HV Tap Changer	DETC	LV Tap Changer	LTC
HV Taps	2 FCAN,2 FCBN @2.5 %	LV Taps	16 ABOVE,16 BELOW @0.625 %
Nom. Impedance	9.50 % +/- 7.50 % @ 20,000 kVA	Noise (dBA)	Standard NEMA TR-1
HV Bushing Mtng	Segment III, Cover Mounted	LV Bushing Mtng	Segment I, Cover Mounted
HV Terminal Chamber	Not Applicable	LV Terminal Chamber	Not Applicable
HV Coil Type	DISC CIRC.	LV Coil Type	DISC CIRC.
Paint Color - ANSI	70	Paint Type	IV URETHANE OVER ZINC RICH EPOXY
Losses	Guaranteed with IEEE Tolerance		
No Load Losses	14.00 kW at 100% volts	Load Losses	77.50 kW @ 20,000 kVA

Mechanical Features

De-energized Manual No Load Tap Changer
Diagrammatic Name Plate
Gasketed Manhole in Cover
NEMA 4 Junction Box
Nitrogen System with Regulator
Panel Type Radiators
Provision for Jacking, Skidding and Lifting
Two Stainless Steel Ground Pads welded to Base on Diagonally Opposite Corners
Welded Top Cover
Sloping Top
Stainless Steel Hardware
White Painted Inside of Tank
Coal Tar Epoxy Undercoat
No Corner Welds

Radiators

Environment Protection	Hot Dipped Galvanized & Unpainted	Radiator Type	Demount Type
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Gauges Details	Make
Liquid Level Gauge W/Contact	QUALITROL OR EQUAL
Liquid Temp Gauge W/Contact	QUALITROL OR EQUAL
Pressure Relief Device W/Contact	QUALITROL OR EQUAL
Pressure Vacuum Gauge W/Bleeder	QUALITROL OR EQUAL
Sudden Pressure Relay (GAS) With Seal in Relay	QUALITROL OR EQUAL
Simulated Winding Temp Gauge W/Contact	QUALITROL OR EQUAL

Bushings

Bushing	kV BIL	Location	Qty / Phase	Make
HV	650	Segment III	1	HITACHI /PCORE or EQUAL
LV	150	Segment I	1	HITACHI /PCORE or EQUAL

Current Transformers

Location	Qty / Phase	CT Ratio	Ratio	Class / Accuracy
HV	2	600:5	Multi Ratio	C800
HV	2	2000:5	Multi Ratio	C800
LV	2	2000:5	Multi Ratio	C800
LV	1	1000/2000:5	Multi Ratio	0.3B1.8
LV Neutral	1	600:5	Multi Ratio	C800

Lightning Arresters

Location	Type	kV Class	MCOV	Manufacturer	Material
HV	Station Class	108	88	HUBBELL or EQUAL	POLYMER
LV	Station Class	10	8.4	HUBBELL or EQUAL	POLYMER

Load Tap Changer

Location	On LV Winding
LTC Type	RMV II
Make	REINHAUSEN OR EQUAL
XMFR	VTC CHOICE

Included Spare Parts

Item	Remarks
GASKET SET - Qty 1	Included.

Ambient Conditions

Ambient Temperature(°C)	Min. -20 / Av. 30 / Max. 40
Seismic Zone	LOW
Altitude(Feet)	< 3,300

Unit shall be designed per the latest ANSI standards for Seismic per IEEE 693 – 2018

Dimensions and Weights

Overall & Shipping Estimated Dimensions:		
Dimension	Overall Dimensions (Inches)	Shipping Dimensions (Inches)
Width	248	204
Depth	193	137
Height	168	163
Overall & Shipping Estimated Weights:		
Weight of the Unit (Lbs)	Shipping Weight (Lbs)	
143,000	123,815	
Parts Shipped Separately:		
Fans and Mounting		
HV Arresters and Mounting		
HV Bushings		
LV Arresters and Mounting		
LV Bushings		
Radiator Oil		
Radiators		

ITEM #2

Transformer Ratings

ITEM :2			QUANTITY #1
kVA	15,000 / 16,800 / 20,000 / 22,400 / 25,000 / 28,000	Application	POWER DIST.
Cooling Class	ONAN/ONAF/ONAF	Winding Temp Rise (Avg)	55/65 °C
# Phase	3	Dielectric Fluid	TYPE II MINERAL
Frequency (Hz)	60	Winding Mat	COPPER
HV Rating (V)	138,000 DELTA	LV Rating (V)	4,200 Y/2,425
HV BIL (kV)	550	LV BIL (kV)	150
HV Tap Changer	DETC	LV Tap Changer	Not Applicable
HV Taps	2 FCAN,2 FCBN @2.5 %	LV Taps	Not Applicable
Nom. Impedance	9.00 % +/- 7.50 % @ 15,000 kVA	Noise (dBA)	Standard NEMA TR-1
HV Bushing Mtng	Segment III, Cover Mounted	LV Bushing Mtng	Segment IV, Side Mounted
HV Terminal Chamber	Not Applicable	LV Terminal Chamber	FLANGE FOR NON SEG BUS
HV Coil Type	DISC CIRC.	LV Coil Type	DISC CIRC.
Paint Color - ANSI	70	Paint Type	IV URETHANE OVER ZINC RICH EPOXY
Losses	Guaranteed with IEEE Tolerance		
No Load Losses	11.00 kW at 100% volts	Load Losses	62.00 kW @ 15,000 kVA

Mechanical Features

De-energized Manual No Load Tap Changer
Diagrammatic Name Plate
Gasketed Manhole in Cover
NEMA 4 Junction Box
Nitrogen System with Regulator
Panel Type Radiators
Provision for Jacking, Skidding and Lifting
Two Stainless Steel Ground Pads welded to Base on Diagonally Opposite Corners
Welded Top Cover
Sloping Top
Stainless Steel Hardware
Non-Skid Finish
White Painted Inside of Tank
Coal Tar Epoxy Undercoat
No Corner Welds

Radiators

Environment Protection	Hot Dipped Galvanized & Unpainted	Radiator Type	Demount Type
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Gauges Details	Make
Liquid Level Gauge W/Contact	QUALITROL OR EQUAL
Liquid Temp Gauge W/Contact	QUALITROL CORP.
Pressure Relief Device W/Contact	QUALITROL OR EQUAL
Pressure Vacuum Gauge W/Bleeder	QUALITROL OR EQUAL
Sudden Pressure Relay (GAS) With Seal in Relay	QUALITROL OR EQUAL
Simulated Winding Temp Gauge W/Contact	QUALITROL OR EQUAL

Bushings

Bushing	kV BIL	Location	Qty / Phase	Make
HV	650	Segment III	1	HITACHI /PCORE or EQUAL
LV	150	Segment IV	1	HITACHI /PCORE or EQUAL

Current Transformers

Location	Qty / Phase	CT Ratio	Ratio	Class / Accuracy
HV	2	600:5	Multi Ratio	C800
HV	1	1200:5	Multi Ratio	C800
LV	1	4000:5	Multi Ratio	C800
LV	1	2000/4000:5	Multi Ratio	0.3B1.8
LV Neutral	1	600:5	Multi Ratio	C800

Lightning Arresters

Location	Type	kV Class	MCOV	Manufacturer	Material
HV	Station Class	108	88	HUBBELL or EQUAL	POLYMER

Included Spare Parts

Item	Remarks
GASKET SET - Qty 1	Included.

Ambient Conditions

Ambient Temperature(°C)	Min. -20 / Av. 30 / Max. 40
Seismic Zone	LOW
Altitude(Feet)	< 3,300

Dimensions and Weights

Overall & Shipping Estimated Dimensions:		
Dimension	Overall Dimensions (Inches)	Shipping Dimensions (Inches)
Width	242	200
Depth	185	132
Height	160	157
Overall & Shipping Estimated Weights:		
Weight of the Unit (Lbs)		Shipping Weight (Lbs)
142,700		123,660
Parts Shipped Separately:		
Fans and Mounting		
HV Arresters and Mounting		
HV Bushings		
LV Arresters and Mounting		
LV Bushings		
Radiator Oil		
Radiators		