

VERIDIAN

Terms & Conditions of Sale

Effective June 2026

These Terms and Conditions of Sale (the "Terms") govern all quotations, offers, order acknowledgments, sales, and deliveries of products by Veridian Construction, LLC to its customers. By submitting an order, accepting delivery, or otherwise transacting with Veridian Construction, LLC, Buyer agrees to be bound by these Terms in their entirety. Buyer should read these Terms carefully, as they limit Veridian's liability and allocate the risks associated with the sale of electrical equipment.

1 DEFINITIONS

The following terms have the meanings set forth below wherever they appear in these Terms:

- 1.1 **"Veridian"** means Veridian Construction, LLC, a Delaware limited liability company, together with its successors and permitted assigns.
- 1.2 **"Buyer"** means the person or entity that submits an Order to Veridian, purchases Products from Veridian, or receives Products supplied by Veridian.
- 1.3 **"Products"** means the dry-type transformers, pad-mounted transformers, and other electrical equipment, parts, and accessories quoted, sold, or supplied by Veridian to Buyer.
- 1.4 **"Order"** means a written purchase order, signed quotation, or other written request submitted by Buyer to purchase Products.
- 1.5 **"Purchase Price"** means the total price payable by Buyer for the Products as stated in Veridian's written acceptance, exclusive of taxes, duties, and freight unless expressly stated otherwise.
- 1.6 **"Delivery Date"** means the estimated date on which Products are scheduled to be tendered to the carrier, as communicated by Veridian. All Delivery Dates are estimates only and are subject to Section 10.
- 1.7 **"Defect"** means a failure of a Product to conform to its applicable specifications as a result of a fault in materials or workmanship, as determined by Veridian or the Manufacturer. A Defect does not include any condition described in Section 6.3.
- 1.8 **"Warranty Period"** means the period defined in Section 6.1 during which the limited warranty applies.
- 1.9 **"Manufacturer"** means the third-party manufacturer that produces the Products supplied by Veridian.
- 1.10 **"Force Majeure"** means any event or circumstance described in Section 11 that is beyond Veridian's reasonable control.
- 1.11 **"F.O.B."** and **"FOB"** have the meanings given under the Uniform Commercial Code as adopted in the State of Delaware.

2 ACCEPTANCE OF TERMS

- 2.1 These Terms govern all sales of Products by Veridian and supersede any prior or contemporaneous understandings, communications, or representations, whether written or oral. These Terms apply notwithstanding any conflicting, additional, or different terms contained in any Buyer document.
- 2.2 Any terms or conditions contained in Buyer's purchase order, acknowledgment, or other document that are inconsistent with, additional to, or different from these Terms are expressly rejected and are of no force or effect, unless Veridian expressly agrees to them in a writing signed by an authorized representative of Veridian. Veridian's acknowledgment, acceptance, shipment, or delivery of Products does not constitute acceptance of any of Buyer's terms.
- 2.3 No contract for the sale of Products is formed until Veridian issues a written acceptance or order acknowledgment, or commences performance, whichever occurs first. A quotation does not constitute an offer capable of acceptance and does not obligate Veridian to sell.
- 2.4 Veridian's failure to object to any term proposed by Buyer is not a waiver of these Terms. These Terms may be modified only by a writing signed by an authorized representative of Veridian.

3 PRICING AND QUOTATIONS

- 3.1 All prices are budgetary and subject to change without notice unless the quotation expressly states that the price is "firm." Veridian reserves the right to correct clerical, typographical, or pricing errors at any time prior to shipment.
- 3.2 A firm quotation is valid for fifteen (15) calendar days from its date unless a different period is stated in writing, after which it expires automatically and is subject to re-quotation. Firm pricing is conditioned upon Buyer's acceptance and payment of the required deposit within the validity period.
- 3.3 Unless expressly stated otherwise, prices do not include federal, state, or local sales, use, excise, value-added, or other taxes, nor any import duties, tariffs, customs charges, brokerage fees, inspection fees, or freight, insurance, or handling charges.
- 3.4 Buyer is responsible for and shall pay all applicable taxes, duties, tariffs, and governmental charges arising from the sale, except for taxes on Veridian's net income. If Veridian is required to collect or pay any such amount, Buyer shall reimburse Veridian on demand. Any exemption claimed by Buyer must be supported by a valid exemption certificate furnished prior to shipment.
- 3.5 In the event of an increase in tariffs, duties, raw material costs, or Manufacturer pricing occurring between the date of acceptance and the date of shipment, Veridian reserves the right to adjust the Purchase Price to reflect such increase upon written notice to Buyer.

4 PAYMENT TERMS

- 4.1 A non-refundable deposit equal to thirty percent (30%) of the Purchase Price is due and payable with each Order. No Order will be processed or released to the Manufacturer until the deposit has been received in full.
- 4.2 The balance of the Purchase Price is due in full before shipment, payable by domestic wire transfer or ACH, unless Net 30 credit terms have been extended under Section 4.3. Veridian is not obligated to ship Products until cleared funds are received.

- 4.3 Net 30 payment terms are available only on credit approved by Veridian in its sole and absolute discretion, and may be modified or withdrawn at any time. Veridian may require financial information, credit references, or security as a condition of extending or maintaining credit.
- 4.4 Any amount not paid when due bears interest at the rate of one and one-half percent (1.5%) per month (eighteen percent (18%) per annum), or the maximum rate permitted by applicable law if lower, accruing from the due date until paid in full. Buyer shall reimburse Veridian for all costs of collection, including reasonable attorneys' fees.
- 4.5 If Buyer fails to make any payment when due, or if Veridian reasonably believes Buyer's ability to pay is impaired, Veridian may, without liability and without prejudice to its other remedies, suspend performance, withhold shipment, accelerate all amounts owing, require payment in advance or cash on delivery, or cancel any unfulfilled portion of any Order.
- 4.6 All payments are to be made in United States Dollars (USD). Buyer may not withhold, offset, or deduct any amount from sums owed to Veridian on account of any claim, dispute, or alleged breach.
- 4.7 Veridian retains a purchase-money security interest in all Products until the Purchase Price has been paid in full. Buyer authorizes Veridian to file any financing statements necessary to perfect such interest.

5 DEPOSITS AND CANCELLATION

- 5.1 The deposit becomes non-refundable once Veridian places the corresponding order with the Manufacturer, which typically occurs within five (5) business days following Veridian's written acceptance of the Order.
- 5.2 If Buyer cancels an Order after production has commenced, Buyer forfeits the entire deposit and remains liable to Veridian for fifty percent (50%) of the Purchase Price as liquidated damages and not as a penalty, the parties acknowledging that Veridian's actual damages from cancellation of custom and made-to-order electrical equipment are difficult to ascertain and that this amount is a reasonable estimate thereof. Veridian may apply the deposit against this amount.
- 5.3 For Products that have shipped or for which the Manufacturer has substantially completed production, Buyer remains liable for one hundred percent (100%) of the Purchase Price, and cancellation will not be accepted.
- 5.4 If Veridian cancels an Order for reasons within its reasonable control and not attributable to Buyer's breach, Veridian's sole obligation is to refund the deposit in full, and Veridian shall have no further liability to Buyer arising from such cancellation.
- 5.5 All cancellations must be submitted in writing and are effective only upon Veridian's written acknowledgment.

6 WARRANTIES

6.1 Limited Warranty

Veridian warrants that the Products will be free from Defects in materials and workmanship for a period of five (5) years from the date of shipment to Buyer (the "Warranty Period"). This warranty extends only to Buyer and is not transferable without Veridian's prior written consent.

6.2 Scope of Warranty

Veridian's sole and exclusive obligation, and Buyer's sole and exclusive remedy, is, at Veridian's option, the repair or replacement of any Product that proves to contain a Defect within the Warranty Period. Any repair or replacement shall be made F.O.B. Veridian's facility or the Manufacturer's facility.

For any valid warranty claim:

- Veridian will, at its option, provide a replacement unit or repair the defective unit at its facility or the Manufacturer's facility;
- Veridian will pay outbound freight for the replacement unit to Buyer's job site;
- Buyer must return the defective unit to Veridian or the Manufacturer at Buyer's expense; and
- if Veridian determines, in its reasonable judgment, that the claim is valid, Veridian will credit or reimburse Buyer's reasonable return freight.

Repaired or replacement Products are warranted only for the remainder of the original Warranty Period and not for any new or extended period.

6.3 Exclusions from Warranty

This warranty expressly does not cover, and Veridian shall have no liability for, any of the following:

- labor, removal, reinstallation, recommissioning, or field service costs of any kind;
- freight to return the defective unit, except as expressly provided in Section 6.2;
- consequential, incidental, indirect, special, or punitive damages of any kind, including lost profits, downtime, loss of use, or cost of substitute equipment;
- damage caused by improper installation, misapplication, misuse, abuse, negligence, accident, unauthorized modification, improper or fluctuating voltage, overloading, contamination, moisture intrusion, or failure to follow the Manufacturer's instructions;
- normal wear and tear, or Products that have reached or exceeded their rated service life;
- any Product not installed, operated, and maintained in accordance with applicable IEEE, NEC, and NEMA standards and the Manufacturer's published instructions; and
- any Product that has been repaired, serviced, disassembled, or altered by any party other than Veridian or the Manufacturer.

Any of the foregoing conditions voids the warranty as to the affected Product. Determination of the cause of any failure shall be made by Veridian or the Manufacturer.

6.4 Warranty Backstop

Veridian's warranty obligations to Buyer are contingent upon, and limited to, the warranty that Veridian actually receives from the Manufacturer. In the event the Manufacturer does not honor a warranty claim during the first two (2) years of the Warranty Period, Veridian shall use reasonable commercial efforts to enforce the Manufacturer's warranty on Buyer's behalf. After the second year of the Warranty Period, Veridian's warranty obligation is limited to repair or replacement as described in Section 6.2, subject to the availability of replacement units and parts. Veridian does not guarantee the continued solvency, performance, or cooperation of the Manufacturer.

6.5 Claim Procedure

Buyer must notify Veridian in writing within thirty (30) days after discovering, or after reasonably should have discovered, a potential Defect. Veridian will investigate and respond within ten (10) business days following receipt of all information reasonably necessary to evaluate the claim. Veridian may require, as a condition of any claim, the submission of photographs, nameplate data, test data, installation records, or the return of the Product for inspection. Failure to provide timely written notice, or failure to cooperate with the investigation, may void the warranty as to that claim. No Product may be returned without a return authorization issued by Veridian.

6.6 Disclaimer of Implied Warranties

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE WARRANTY SET FORTH IN THIS SECTION 6 IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. VERIDIAN EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTY ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE. NO AFFIRMATION, REPRESENTATION, SAMPLE, MODEL, OR DESCRIPTION CREATES ANY WARRANTY NOT EXPRESSLY SET FORTH HEREIN.

7 LIMITATION OF LIABILITY

7.1 Liability Cap

IN NO EVENT SHALL VERIDIAN'S TOTAL AGGREGATE LIABILITY TO BUYER OR ANY THIRD PARTY ARISING FROM OR RELATED TO THESE TERMS, ANY ORDER, OR THE PRODUCTS, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, WARRANTY, OR OTHERWISE, EXCEED THE PURCHASE PRICE ACTUALLY PAID BY BUYER FOR THE SPECIFIC PRODUCT THAT GIVES RISE TO THE CLAIM.

7.2 Exclusion of Consequential Damages

IN NO EVENT SHALL VERIDIAN BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, LOSS OF REVENUE, LOSS OF USE, LOSS OF DATA, DOWNTIME, COST OF CAPITAL, COST OF SUBSTITUTE EQUIPMENT OR FACILITIES, CLAIMS OF BUYER'S CUSTOMERS, OR PROPERTY DAMAGE, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, WARRANTY, OR OTHERWISE, EVEN IF VERIDIAN HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7.3 Failure of Essential Purpose

The limitations and exclusions set forth in this Section 7 and in Section 6 are fundamental elements of the basis of the bargain between the parties, and the prices charged by Veridian reflect this allocation of risk. These limitations and exclusions shall apply and shall survive notwithstanding any failure of the essential purpose of any limited or exclusive remedy provided herein.

7.4 Time Limitation on Actions

To the extent permitted by applicable law, any action by Buyer arising out of or relating to these Terms, any Order, or the Products must be commenced within one (1) year after the cause of action accrues, after which such action is permanently barred.

8 RISK OF LOSS AND SHIPPING

- 8.1 Unless otherwise agreed in writing, all sales are F.O.B. origin, and title and risk of loss or damage pass to Buyer upon delivery of the Products to the carrier.
- 8.2 Where Veridian arranges shipment, it does so solely as a convenience and as agent for Buyer. Veridian is not a carrier and is not liable for shipping delays, carrier acts or omissions, damage in transit, or transit losses. Selection of routing and carrier by Veridian does not impose any liability on Veridian.
- 8.3 Buyer shall inspect all Products immediately upon delivery and note any visible damage or shortage on the carrier's delivery receipt or bill of lading before signing.
- 8.4 All claims for loss or damage in transit are the sole responsibility of Buyer and must be made by Buyer directly against the carrier. Veridian will, as a courtesy and without obligation or liability, provide reasonable assistance to Buyer in documenting and pursuing freight claims.
- 8.5 If Buyer fails to take delivery or delays shipment for reasons within Buyer's control, Veridian may store the Products at Buyer's risk and expense, and risk of loss shall pass to Buyer upon Veridian tendering the Products for delivery.

9 INSPECTION AND ACCEPTANCE

- 9.1 Buyer has five (5) business days from delivery to inspect the Products and to notify Veridian in writing of any claimed non-conformity or shortage.
- 9.2 Failure to provide written notice of non-conformity within such five (5) business day period constitutes irrevocable acceptance of the Products and a waiver of all claims of non-conformity that a reasonable inspection would have revealed.
- 9.3 After acceptance, no Products may be returned except pursuant to the limited warranty in Section 6 and subject to a return authorization issued by Veridian.

10 LEAD TIMES

- 10.1 All lead times, ship dates, and Delivery Dates are estimates only, are based on information provided by the Manufacturer, and do not constitute a guarantee of any particular date. Time is not of the essence with respect to delivery.
- 10.2 Veridian is not liable for any delay in delivery or performance caused by the Manufacturer, shipping, customs, inspection, port congestion, or any other factor outside Veridian's reasonable control, and no such delay shall constitute a breach or entitle Buyer to cancel, reject, or claim damages.
- 10.3 Lead times commence only upon the later of Veridian's written acceptance of the Order and Veridian's receipt of the required deposit and all information necessary to begin production. Veridian may make partial shipments, each of which constitutes a separate sale.

11 FORCE MAJEURE

- 11.1 Veridian shall not be liable for, nor be deemed in default by reason of, any failure or delay in performance caused by any event or circumstance beyond its reasonable control, including without limitation: acts of God; war, hostilities, terrorism, civil unrest, or insurrection; trade sanctions, tariffs, duties, embargoes, or governmental action or restriction; labor disputes, strikes, or shortages; Manufacturer or factory shutdowns, defaults, or insolvency; shipping, port, or logistics disruptions; epidemics or pandemics; fire, flood, earthquake, severe weather, or other natural disaster; utility, energy, or telecommunications failures; cyberattack; or interruptions or shortages in the supply chain, raw materials, components, or transportation.
- 11.2 Upon the occurrence of a Force Majeure event, the time for Veridian's performance shall be extended for the duration of the event. If a Force Majeure event continues for more than one hundred twenty (120) days, either party may cancel the affected Order upon written notice, in which case Veridian's sole obligation is to refund amounts paid for Products not yet shipped, less any non-recoverable costs incurred by Veridian.

12 GOVERNING LAW AND DISPUTE RESOLUTION

- 12.1 These Terms and all matters arising out of or relating to them are governed by the laws of the State of Delaware, without regard to its conflict of laws principles. The United Nations Convention on Contracts for the International Sale of Goods does not apply.
- 12.2 Any dispute, claim, or controversy arising out of or relating to these Terms, any Order, or the Products shall first be submitted to non-binding mediation administered in New Castle County, Delaware.
- 12.3 If mediation does not resolve the dispute within sixty (60) days, the dispute shall be finally resolved by binding arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, with venue in New Castle County, Delaware, before a single arbitrator. Judgment on the award may be entered in any court of competent jurisdiction.
- 12.4 Each party shall bear its own attorneys' fees and costs, except as otherwise provided in Section 4.4. Notwithstanding the foregoing, Veridian may seek injunctive or other equitable relief, or pursue collection of amounts owed, in any court of competent jurisdiction.

13 GENERAL PROVISIONS

- 13.1 **Entire Agreement.** These Terms, together with Veridian's written acceptance and any documents expressly incorporated by reference, constitute the entire agreement between the parties with respect to the sale of Products and supersede all prior or contemporaneous agreements, proposals, and communications, whether written or oral.
- 13.2 **No Waiver.** No failure or delay by Veridian in exercising any right or remedy operates as a waiver, and no single or partial exercise precludes any further exercise. A waiver is effective only if in writing and signed by an authorized representative of Veridian.
- 13.3 **Severability.** If any provision of these Terms is held invalid or unenforceable, that provision shall be modified to the minimum extent necessary to make it enforceable, or if it cannot be so modified, severed, and the remaining provisions shall continue in full force and effect.

- 13.4 **Assignment.** Buyer may not assign or transfer any Order or any rights or obligations under these Terms, by operation of law or otherwise, without Veridian's prior written consent. Veridian may freely assign its rights and obligations. Any attempted assignment in violation of this section is void.
- 13.5 **Independent Contractors.** The parties are independent contractors. Nothing in these Terms creates any partnership, joint venture, agency, or employment relationship between the parties.
- 13.6 **No Third-Party Beneficiaries.** These Terms are for the sole benefit of the parties and their permitted successors and assigns, and confer no rights or remedies on any other person or entity.
- 13.7 **Waiver of Jury Trial and Class Actions.** To the maximum extent permitted by law, each party irrevocably waives any right to a trial by jury and agrees that any proceeding shall be conducted only on an individual basis and not as a plaintiff or class member in any purported class, collective, or representative proceeding.
- 13.8 **Electronic Signatures and Counterparts.** These Terms and any Order may be accepted and executed electronically and in one or more counterparts, each of which is deemed an original and all of which together constitute one instrument. Electronic signatures and records have the same legal effect as original signatures and paper records.
- 13.9 **Notices.** All notices must be in writing and delivered to the addresses set forth in Section 14, by personal delivery, nationally recognized courier, certified mail, or email with confirmation of receipt.
- 13.10 **Survival.** Sections 4, 5, 6, 7, 12, 13, and any other provisions that by their nature should survive, shall survive termination, cancellation, or completion of any Order.
- 13.11 **Headings.** Headings are for convenience only and do not affect the interpretation of these Terms.

14 CONTACT

All notices and communications under these Terms shall be sent to:

Veridian Construction, LLC
262 Chapman Rd, Ste 240
Newark, DE 19702
contact@veridianelectric.com
718-973-0281