

## LEASE AGREEMENT

THIS LEASE AGREEMENT (“Lease Agreement”), dated for reference purposes June 13, 2025 (“Effective Date”), is made by and between the Woodland School District No. 404, a Washington quasi-municipal corporation (“Lessor”), and HEF-P Woodland, LLC, a Delaware limited liability company (“Lessee”).

WHEREAS, the Lessor owns certain improved real property commonly known as 989 Frazier Lane, Woodland, Washington 98674, Cowlitz County Parcel No. 5048201 (the “Property”), as legally described in Exhibit “A,” which is incorporated herein by this reference;

WHEREAS, the Property contains, *inter alia*, parking for school buses utilized by the Kalama-Woodland-Ridgefield-La Center Transportation Cooperative (“KWRL”);

WHEREAS, the Lessor’s Board of Directors at a public meeting on June 12, 2025, declared that portions of the Property are surplus to the needs of the Lessor;

WHEREAS, RCW 28A.335.040 authorizes the Lessor to rent or lease surplus real property;

WHEREAS, the Lessee desires to lease certain surplus portions of the Property for purposes of offering vehicle electrification services as described in the Transportation Equipment Services Agreement (“TESA”) executed by the parties to this Lease Agreement dated December 20, 2024, a copy of which is incorporated herein as Exhibit “C;” and

WHEREAS, pursuant to the TESA, the Lessee is to be granted rights to access and use the Premises (defined herein) to install, access, maintain, repair, replace, and remove certain electrical charging equipment, related infrastructure, and related equipment (the “System”) pursuant to and to the extent provided in the TESA and to access the System via ingress to, egress from, and access on, over, and under the Property and the Premises for purposes of performing Lessee’s obligations and exercising Lessee’s rights under the TESA.

NOW, THEREFORE, in consideration of the covenants and agreements set forth below, the parties agree as follows:

1. Premises. The Recitals stated above are incorporated herein to the same extent as if fully set forth herein. The Lessor hereby leases to the Lessee, and the Lessee takes and leases from the Lessor, a portion of the Property consisting of approximately 53,674 square feet, as depicted in Exhibit “B,” which is incorporated herein by this reference (the “Leased Premises”).
2. Use. The purpose of this Lease Agreement is to allow the Lessee to use the Leased Premises to make those improvements, store such System personal property, and offer those services consistent with the TESA. No other use of the Leased Premises may be made without the prior consent of the Lessor.
3. Term. The term of this Agreement (the “Term”) will commence on the Effective Date and continue until ninety (90) days following the expiration or earlier termination of the TESA.

Except in the event of a relocation of the System in accordance with the TESA, this Agreement will not be terminated prior to the termination or expiration of the TESA in accordance with its terms, either as a remedy, an election, or otherwise, except as provided in Section 3.1, below. Lessee agrees to notify Lessor when the TESA has expired or is terminated.

- 3.1 Recapture by Lessor. The Lessee recognizes that the Lessor is bound by the provisions of RCW 28A.335.040 regarding the use of surplus school property of the Lessor should such property be needed for school purposes in the future. In the event that the Lessor's Board of Directors determines that the Leased Premises becomes needed for school purposes during the term of this Lease Agreement and that recapture is necessary, this Lease Agreement will terminate upon one-hundred twenty (120) days' notice to the Lessee of the Board of Director's determination. In the event of such recapture, the Lessor will be responsible for the reasonable costs of removing any electric vehicle charging equipment owed by Lessee or its affiliate located upon the Leased Premises, including labor and costs of transportation of said equipment to a location no more than fifty (50) miles from the Leased Premises.
4. Rent. The consideration provided by Lessee consists of the services that it is obligated to provide to Lessor under the TESA, therefore no rent will be due under this Lease Agreement.
5. Utilities and Service. Subject to Section 26.3, below, the Lessor will arrange for provision of the following utilities serving the Leased Premises: electricity. Lessee will be responsible for the costs of electricity used upon the premises for the charging of electric vehicles, as provided in the TESA.
6. Condition of Leased Premises. The Lessee has examined and knows the condition of the Property and the Leased Premises and accepts the Leased Premises in their present condition. It is understood and agreed that the Lessor will not be obligated to make any improvements to the Property or Leased Premises during the Term of this Lease Agreement except if specified in this Lease Agreement. The Lessor makes no warranties as to the condition of the Leased Premises or its suitability for the Lessee's purposes.
7. Maintenance.
  - 7.1 The Lessee will, throughout the Term of this Lease Agreement, and without cost or expense to the Lessor, keep the Leased Premises in neat, clean, and sanitary condition and maintain the Leased Premises and any improvements, landscaping, fixtures, and equipment that may now or hereafter exist thereon in good order and repair, including but not limited to insect and other pest control. The Lessee will comply with all applicable building and safety codes.
  - 7.2 If, after five (5) days' notice from the Lessor, the Lessee fails or elects not to maintain or repair any part of the Leased Premises or any improvement, landscape, fixture, or equipment thereon, the Lessor will enter upon the Leased Premises and

perform such maintenance or repair using its own or contracted personnel. In that event, the Lessee will pay the reasonable costs of labor and materials actually incurred by the Lessor for the maintenance or repair within thirty (30) days of receiving an invoice from the Lessor showing the itemized costs.

- 7.3 If a director, officer, employee, agent, contractor, subcontractor, or invitee of the Lessee causes damage to those portions of the Property not included in the Leased Premises, the Lessor may demand that the Lessee reimburse the Lessor for the actual and reasonable costs of the labor and materials necessary to repair the damage. For purposes of this section, “damage” means documented physical damage beyond normal wear and tear, directly attributable to the sole actions of a director, officer, employee, agent, contractor, subcontractor, or invitee of Lessee. The Lessor bears the burden of documenting and attributing any such damage.

8. Alterations.

- 8.1 Lessee may make those improvements to the Leased Premises specified in the TESA, as amended. The Lessee will not otherwise make any alterations or improvements to or upon the Leased Premises, or install any fixtures (other than trade fixtures that can be removed without injury to the Leased Premises) without first obtaining the written consent of the Lessor.

- 8.2 The Lessee will promptly remove, if the Lessor so elects and notifies the Lessee in writing thirty (30) days prior to termination of this Lease Agreement, any alterations, additions, and improvements and any other property placed in or upon the Leased Premises by the Lessee that the Lessor wants removed. The Lessee will repair any damage caused by such removal at its expense unless otherwise specified in the TESA.

- 8.3 During the term of this Lease Agreement, the Lessor may make any alterations to the Property or Leased Premises that it deems necessary or appropriate, provided that such alterations do not interfere with the rights or responsibilities of either party under the TESA. The Lessor will notify the Lessee in writing thirty (30) days prior to commencing such alterations.

9. Assignment or Subletting. The Lessee will not assign this Lease Agreement or sublet any portion of the Leased Premises without prior written consent of the Lessor. Any such assignment or subletting without consent will be void, and the Lessor may, upon notice of such assignment or subletting, terminate this Lease Agreement at its option. This Section 9 of the Lease Agreement does not prohibit the Lessee from using the services of contractors or subcontractors to carry out improvements or services consistent with the TESA.

10. Compliance with Laws and Regulations. In possessing and using the Leased Premises, the Lessee will comply with all applicable laws, ordinances, and regulations from any and all authorities having jurisdiction and will promptly comply with all governmental orders and

directives for the correction, prevention, and abatement of nuisance in, upon, or connected with the use of the Leased Premises.

11. Leasehold Excise Tax. In the event that the Lessee does not qualify as a tax-exempt entity for purposes of Chapter 82.29A RCW, the Lessee agrees to pay any leasehold excise tax due pursuant to state law. The Lessee will remit such tax payments to the Lessor, which will remit them to the Washington State Department of Revenue as required by law. All other taxes imposed upon the Property or arising from lease of the Leased Premises will be the responsibility of the Lessor.
12. Encumbrances. The Lessee will not allow encumbrances to be placed against the Leased Premises and will hold the Lessor harmless from any material, labor, or other lien placed on said Leased Premises as a result of the Lessee's use thereof.
13. Waste and Quiet Enjoyment. The Lessee will not commit or suffer any waste upon the Leased Premises, or disturb the quiet enjoyment of any other occupants of the Property by making or suffering any nuisance, undue noise, or otherwise, and will not do or permit to be done in or about the Leased Premises anything which is unlawful, dangerous, or which will increase any insurance rate upon the Leased Premises or the Property. Upon the timely payment by the Lessee of the amounts required herein, and upon the observance and performance of all terms, provisions, covenants, and conditions on the Lessee's part to be observed and performed, the Lessee will, subject to all of the terms, provisions, covenants, and conditions of this Lease Agreement, peaceably and quietly hold and enjoy the Leased Premises for the entire term of this Lease Agreement without hindrance or molestation from all persons claiming by, through, or under the Lessor.
14. Hazardous Materials. The Lessee will not use, store, or dispose of any hazardous substances upon the Leased Premises, except as customarily used in the Lessee's business and such use and storage complies with all environmental laws. Hazardous substance means any hazardous waste, substance, or toxic materials regulated under any environmental laws or regulations applicable to the Leased Premises.
15. Lessor's Right of Entry and Inspection. The Lessee will permit the Lessor and its directors, officers, employees, agents, contractors, and subcontractors to enter upon the Leased Premises for the purposes of charging electric vehicles, doing such other things consistent with the TESA, conducting activities permissible under this Lease Agreement, and inspecting the Leased Premises. Further, the Lessee will permit the Lessor's contractors or subcontractors to enter upon the Leased Premises at reasonable times and upon reasonable notice for the purposes of conducting construction activities should the Lessor remodel other portions of the Property.
16. Default.
  - 16.1 If, in the judgment of the Lessor, the Lessee fails in any duty required by this Lease Agreement, the Lessee will be given notice of the specific deficiency and provided a ninety (90) day opportunity to cure such deficiency to the reasonable satisfaction of the Lessor. However, if such deficiency cannot be reasonably remedied within

the ninety (90) day period, this requirement will be satisfied if the Lessee begins correction of the failure within the ninety (90) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable, but in no event more than one-hundred and twenty (120) days after the Lessor's notice.

- 16.2 If a default occurs hereunder and is not cured within the period specified in Section 16.1, the Lessor may exercise any and all remedies herein provided or otherwise provided by law. Without limiting any other rights or remedies hereunder, the Lessor may terminate this Lease Agreement upon thirty (30) days' written notice to the Lessee, and it may enter into and take possession of the Leased Premises by any and all lawful means.
17. Security Deposit. A security deposit will not be required.
18. Possession. If the Lessee accepts possession prior to the time of the commencement of the term of the Lease Agreement, both parties agree to be bound by all the provisions and obligation of this Lease Agreement during the prior period.
19. Relationship of the Parties. No director, officer, employee, agent, contractor, subcontractor, or representative of either party will be deemed to be an employee, agent, servant, or representative of the other party for any purpose. Each party will be solely and entirely responsible for its acts and for the acts of its directors, officers, employees, agents, contractors, subcontractors, and representatives during the performance of this Lease Agreement.
20. Insurance.
- 20.1 The Lessee will secure and maintain continuously at its own expense until the end of the Lease Agreement comprehensive general-liability insurance on the Leased Premises for bodily injury and property damage liability in amounts of not less than: \$1,000,000 for each person, personal injury; \$3,000,000 for each occurrence, personal injury; \$500,000 for each occurrence, property damage; and fire and casualty insurance for the full replacement value of the Leased Premises. The Lessee will furnish the Lessor with a certificate of insurance on or before the beginning of this Lease Agreement that specifies said coverage as described above. Such insurance will be on an occurrence basis.
- 20.2 The Lessee agrees to provide the Lessor with thirty (30) days' prior notice if any changes to such insurance are made during the term of the Lease Agreement. The Lessee will not reduce or cancel such insurance without such notice and without first obtaining other insurance coverage in compliance with this Lease Agreement.
- 20.3 The Lessee will have the sole responsibility for and will pay for any insurance maintained by it on its personal property kept at the Leased Premises.
21. Catastrophic Loss.

- 21.1 In the event that the Leased Premises is destroyed or becomes totally or partially unusable because of fire, flood, earthquake, or other casualty, the Lessee will replace and/or repair the Leased Premises, with the cost and expense born equally by the parties.
- 21.2 If the Lessee is required to replace or repair the Leased Premises to its previous standard under Section 22.1 but fails to do so within a six (6) month period, the Lessor may, without waiving any rights under this Lease Agreement, terminate this Lease Agreement.
22. Condemnation. In the event the Leased Premises or a portion thereof is appropriated under the laws of eminent domain by a government entity other than the Lessor so as to render it unsuitable for the purposes stated herein, this Lease Agreement will terminate. If only a portion of the Leased Premises is so taken and the remaining portion is suitable for the Lessee's use, the Lease Agreement will continue in force. All damages awarded in any eminent domain proceedings will go to the Lessor, and the Lessee will have no right, title, or interest therein.
23. Surrender of Leased Premises. Except as expressly provided herein, this Lease Agreement will not continue beyond the Term. Upon expiration or sooner termination of the Lease Agreement, the Lessee will forthwith return the Leased Premises in as good a condition as existed at the commencement of occupancy. On or before the date of termination, the Lessee will remove all furniture, equipment, supplies, and other materials owned and controlled by the Lessee.
24. Holding Over. Any holding over after the expiration of this Lease Agreement, with the consent of the Lessor, will be construed as a month-to-month tenancy otherwise in accordance with the terms hereof, as applicable. Monthly rent for any period of holding over will be Five-Thousand Dollars (\$5,000), due no later than the first day of each month.
25. Attorney Fees and Costs. If any legal proceeding is brought for the enforcement of this Lease Agreement, because of a dispute, breach, default, or misrepresentation in connection with any of the provisions of this Lease Agreement, or due to reentering or regaining possession of the Leased Premises, the prevailing party will be entitled to recover from the other party, in addition to any other relief to which such party may be entitled, reasonable attorney fees and other costs incurred in that action or proceeding.
26. General Provisions.
- 26.1 Notices. All official notices required under this Lease Agreement will be: (a) personally delivered with a written receipt of delivery; (b) sent by a nationally recognized overnight delivery service requiring a written acknowledgement of receipt or providing a certification of delivery or attempted delivery; (c) sent by certified or registered mail; or (d) sent by PDF or email with an original copy thereof transmitted to the recipient by one of the means described in subsections (a)-(c). All notices will be deemed effective when actually delivered as documented in a delivery receipt; provided, however, that if the notice was sent by

overnight delivery service or certified or registered mail and is affirmatively refused or cannot be delivered during customary business hours by reason of the absence of a signatory to acknowledge receipt, or by reason of a change of address with respect to which the addressor did not have either knowledge or written notice delivered in accordance with this section, then the first attempted delivery will be deemed to constitute delivery; and further provided, that notices given by PDF or email will be deemed given when sent as shown by a “delivery” receipt (rather than a “read” receipt). Each party will be entitled to change its addressee and/or address for notices from time to time by delivering to the other party notice thereof in the manner herein provided for the delivery of notices. All notices will be sent to the addressee at its address below:

**Lessor**

Shannon Barnett  
Transportation Director  
989 Frazier Lane  
Woodland, Washington  
Phone: (360) 841-2023  
[barnetts@kwirl.org](mailto:barnetts@kwirl.org)

**Lessee**

Benjamin M. Schutzman  
Vice President  
200 Cummings Center, Suite 273D  
Beverly, MA 01915  
Phone: (610)-220-5841  
[ben@highlandfleets.com](mailto:ben@highlandfleets.com)  
copy: [notices@highlandfleets.com](mailto:notices@highlandfleets.com)

- 26.2 Ownership of System. Title to the System will be held during the Term by Lessee (or Lessee’s designee, including any Financing Party (as defined in the TESA)), and any alterations, additions, or improvements made thereto by Lessee during the Term will remain the personal property of Lessee or Lessee’s designee (such personal property and improvements, collectively, “Lessee Property”). In no event will any Lessee Property be deemed a fixture, nor will Lessor have any rights in or to the Lessee Property at any time except as otherwise provided herein or in the TESA. No intellectual property or other ownership rights related to the Lessee Property will be transferred to Lessor or any other person by virtue of this Lease Agreement.
- 26.3 Electricity. Lessor will cooperate with Lessee in obtaining electricity and any other utilities necessary to operate the System on the Premises, including by granting, or causing Lessor to grant, appropriate easements to local utility providers; provided, however, that Lessor is not required to pay money to accomplish the provision of those utilities. For any out-of-pocket costs incurred by Lessor that are approved by Lessee, Lessee will reimburse Lessor for such amounts.
- 26.4 Entire Agreement. This Lease Agreement constitutes the entire agreement between the parties and supersedes any and all prior oral or written agreements, commitments, or understandings concerning the matters provided for herein; provided, however, that this Lease Agreement does not supersede the TESA. No other understandings, oral or otherwise, regarding the subject matter of this Lease Agreement will be deemed to exist or to bind any of the parties hereto.

- 26.5 Modification. The parties may modify this Lease Agreement only by a subsequent written agreement executed by the authorized representatives of the parties.
- 26.6 Survival. The Lessor and the Lessee expressly intend and agree that the terms of Sections 25-26 of this Lease Agreement will survive the termination or expiration of this Lease Agreement for any reason.
- 26.7 Successors and Assigns. The terms, conditions, and covenants contained in this Lease Agreement will apply to, inure to the benefit of, and be binding upon the parties hereto and their respective successors in interest and legal representatives except as otherwise herein expressly provided. All rights, powers, privileges, immunities, and duties of the Lessor under this Lease Agreement, including but not limited to any notices required or permitted to be delivered by the Lessor to the Lessee hereunder, may, at the Lessor's option, be exercised or performed by the Lessor's agent or attorney.
- 26.8 Severability. If any provision of this Lease Agreement will be held wholly or partially invalid or unenforceable under applicable law, such invalidity will not affect the other provisions of this Lease Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Lease Agreement. To this end, the provisions of this Lease Agreement are declared to be severable.
- 26.9 No Waiver. A failure by either party to exercise its rights under this Lease Agreement will not preclude that party from subsequent exercise of such rights and will not constitute a waiver of any other rights under this Lease Agreement unless stated as such in a writing signed by an authorized representative of the party and attached to this Lease Agreement.
- 26.10 Governing Law and Venue. This Lease Agreement will be governed, construed, and enforced in accordance with the laws of the State of Washington, and venue of any suit between the parties arising out of this Lease Agreement will be in the Superior Court of Cowlitz County, Washington.
- 26.11 No Third-Party Beneficiaries. This Lease Agreement does not create, invest, or provide, and is not intended to create, invest, or provide, any rights or remedies to any non-parties to this Lease Agreement.
- 26.12 Headings. Headings in this Lease Agreement are included only for convenience and will not control or affect the meaning or construction of this Lease Agreement.
- 26.13 Counterparts. This Lease Agreement may be executed in a number of counterparts, including facsimile or electronically scanned counterparts, each of which will be deemed to be an original for all purposes and all of which counterparts, taken together, will constitute one agreement.

IN WITNESS WHEREOF, the Lessor and the Lessee have executed this Lease Agreement as of the dates indicated below.

**WOODLAND SCHOOL DISTRICT  
NO. 404**

**HEF-P WOODLAND, LLC**

\_\_\_\_\_  
Asha Riley, Superintendent

\_\_\_\_\_  
Benjamin M. Schutzman, Vice President

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**ACKNOWLEDGEMENTS**

STATE OF WASHINGTON )

) ss

COUNTY OF COWLITZ )

I certify that I know or have satisfactory evidence that Asha Riley is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument, and acknowledged it as the Superintendent and Secretary of the Board of Directors of Woodland School District No. 404, a Washington quasi-municipal corporation, to be a free and voluntary act of said District for uses and purposes mentioned in the instrument.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Notary Public in and for the State of Washington

My appointment expires: \_\_\_\_\_

COMMONWEALTH OF MASSACHUSETTS )

) ss

COUNTY OF ESSEX )

I certify that I know or have satisfactory evidence that Benjamin Schutzman is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument, and acknowledged it as the Vice President of HEF-P Woodland LLC, a Delaware limited liability company, to be a free and voluntary act of said company for uses and purposes mentioned in the instrument.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Notary Public in and for the Commonwealth of Massachusetts

My appointment expires: \_\_\_\_\_

## Exhibit A

### **LEGAL DESCRIPTION OF PROPERTY**

THAT PORTION OF THE SQUIRE AND MILLY BOZARTH DLC THAT WAS AWARDED TO SCHOOL DISTRICT NO. 102 OF COWLITZ COUNTY, WASHINGTON (NOW WOODLAND SCHOOL DISTRICT # 404) BY DECREE OF APPROPRIATION ENTERED AUGUST 10, 1909 IN COWLITZ COUNTY SUPERIOR COURT CASE NO. 2148 AND RECORDED SEPTEMBER 14, 1909 UNDER AUDITOR'S FILE NUMBER 5612.

ALSO BEGINNING AT THE NORTHEAST CORNER OF TRACT NO. 44 OF THE TOWN OF WOODLAND, WASHINGTON SAID TRACT NO. 44 BEING THE SCHOOL TRACT OF SCHOOL DISTRICT NO. 102 OF COWLITZ COUNTY, WASHINGTON  
THENCE NORTH 15° 35' EAST 283.1 FEET TO THE SOUTH LINE OF BUCKEYE STREET IF EXTENDED;  
THENCE NORTH 73° 47' WEST 759.6 FEET;  
THENCE SOUTH 0° 13' EAST 735.8 FEET;  
THENCE NORTH 89° 53' EAST 40.6 FEET TO THE SOUTHWEST CORNER OF SAID TRACT NO. 44;  
THENCE NORTH 0° 103' WEST 250.9 FEET TO THE NORTHWEST VORNER OF SAID TRACT NO. 44;  
THENCE NORTH 90° 00' EAST 610.2 FEET TO THE PLACE OF BEGINNING.

ALSO BEGINNING AT A POINT ON THE SOUTH BOUNDARY OF THE SQUIRE AND MILLY BOZARTH D.L.C. AND 60 FEET EAST OF THE INTERSECTION OF SAID D.L.C. LINE AND THE EAST BOUNDARY OF THE NORTHERN PACIFIC RAILROAD RIGHT OF WAY AND RUNNING  
THENCE NORTH 2° 57' 30" WEST A DISTANCE OF 891 FEET TO THE NORTHERN BOUNDARY OF 30" WEST A DISTANCE OF 891 FEET TO THE NORTHERN BOUNDARY OF TRACT 21 OF THE TOWN OF WOODLAND, WASHINGTON, SAID NORTHERN BOUNDARY BEING ALSO THE NORTH BOUNDARY OF A CERTAIN TRACT OF LAND KNOWN AS THE VANBEBBER TRACT; THENCE EAST 1224.5 FEET;  
THENCE SOUTH 890 FEET ALONG THE WEST BOUNDARY OF THE WOODLAND SCHOOL PROPERTY;  
THENCE WEST A DISTANCE OF 1178 FEET ALONG THE D.L.C. LINE TO THE POINT OF BEGINNING OF TRACT 21 OF WOODLAND, WASHINGTON, OUTLOTS.

EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE CITY OF WOODLAND BY DEED RECORDED SEPTEMBER 6, 1972 UNDER AUDITOR'S FILE NO. 734670 IN VOLUME 784, PAGE 1321.

ALSO EXCEPTING THEREFROM THAT PORTION CONVEYED TO THE CITY OF WOODLAND BY DEED RECORDED AUGUST 4, 2011 UNDER AUDITOR'S FILE NO. 3441148.



**Exhibit C**

**TESA**

(See attached)



Awarded Contract

Contract #051123-HEF

**VENDOR:** HEF-P Woodland, LLC (a limited liability company to be formed by Highland Electric Fleets, Inc.) (also, "Highland" or "Provider")  
**ADDRESS:** 200 Cummings Center, Suite 273D  
 Beverly, MA 01916  
**CONTACT:** Conner Harmon  
**EMAIL:** [conner@highlandfleets.com](mailto:conner@highlandfleets.com); adam@highlandfleets.com

All quoted Services are Guaranteed Best Government Value, and have been Competitively Awarded for purchase using:

**Sourcewell Contract**  
**051123-HEF**  
**Valid: 07/20/2023 – 07/19/2027**

CUSTOMER:	QUOTE NUMBER:	QUOTE DATE:
CUSTOMER: Woodland School District 404	WA-WDLND-0001	December 5, 2024
ADDRESS:	Freight Terms	Prepaid
800 Second Street Woodland, WA 98674	Payment Terms	Annual beginning Operational Date (see attached contract)
CONTACT (name & title): Shannon Barnett, Director of KWRL Transportation Cooperative	Est. Project Timeline	18 months after Contract execution
EMAIL: <a href="mailto:Barnetts@kwrl.org">Barnetts@kwrl.org</a>	Quote Effective Through:	December 15, 2024

SKU	PRODUCT DESCRIPTION	QTY	LIST PRICE/	CONTRACT PRICE**	TOTAL*
DEPOT-30-14	Depot - 12 year Contract for 10001 - 11000 miles and 20 - 40 kW Charger	14	\$51,150.00	\$27,478.00	\$384,692.00
Discount	Add'l District Discount	14	(\$11,878.00)		(\$166,292.00)
Depot Supporting Fourteen (14) Electric School Buses with Washington Department of Ecology Incentive Program @ \$50,000/[Charger] applied, and Clark PUD Make-Ready Funding at \$200,000 total Woodland School District 404 is Sourcewell Member No. 13213. <a href="https://www.sourcewell-mn.gov/participating-agency/13213">https://www.sourcewell-mn.gov/participating-agency/13213</a>			SUBTOTAL:		\$218,400.00
			SALES TAX:		(if applicable)
			TOTAL CONTRACT PRICE, CONTRACT YEAR 1:		\$218,400.00

\*This Quotation is subject to the Terms and Conditions of Sourcewell Contract 051123-HEF, as noted on the following pages.

\*\*Noted Contract Price includes any Sourcewell Volume Discounts  
 PRICING IS FOR CONTRACT YEAR 1 UNLESS OTHERWISE STATED.

## SCOPE OF SERVICES

This **Transportation Equipment Services Scope of Services ("Scope of Services")** is incorporated into and made part of the foregoing quote ("Quote" or, when executed, "Purchase Order") for Products or "Services" (as further described in this Scope of Services) provided to the Customer (also, "District") by the Vendor (also "Provider"), as set forth on Page 1. Upon countersignature of this Quote by the District, the District will acknowledge and accept this Quote, including this Scope of Services, whereupon this Quote shall become a binding Purchase Order and Provider and Customer will execute and deliver the Sourcewell Contract, Contract #051123-HEF (a "TESA") that incorporates this Purchase Order, including this Scope of Services as Part 1, the Highland General Terms and Conditions ("Terms and Conditions") as Part 2, and all Exhibits (each a "TESA Exhibit") referred to in the Scope of Services or such Terms and Conditions.

This Scope of Services provides, in summary format, descriptions of the Services and Products to be provided by Provider to Customer. This Scope of Services is modified by the Terms and Conditions and by the TESA Exhibits described in this Scope of Services and in the Terms and Conditions.

<p><b>1. Parties:</b></p>	<p><b>The Parties and their respective notice addresses are as set forth on Page 1.</b></p>
<p><b>2. Services:</b></p>	<p>Customer retains Provider to provide, and Provider will provide the following "Services" for the Contract Price (defined in the Terms and Conditions), for the period identified below:</p> <ul style="list-style-type: none"> <li>(a) <b>Consulting Services:</b> Assist in planning for fleet electrification, including identifying incentives for future deployments;</li> <li>(b) <b>Procurement Services:</b> From the date the TESA is executed ("Effective Date") through the Operational Date (defined below), and thereafter in Provider's judgment, specify and procure the System (defined below), selecting components that optimize System performance and efficiency in light of Customer requirements;</li> <li>(c) <b>Installation Services:</b> Beginning the Effective Date, design, obtain required Approvals (defined in the Terms and Conditions) for, install, interconnect, and start-up, Chargers, Infrastructure, and related improvements at the Premises (defined below), consistent with the final System Site Plan (defined below);</li> <li>(d) <b>Training Services:</b> Before the Operational Date, at mutually agreed time(s), coordinate original equipment manufacturer ("OEM") training and provide training in use of the System to Customer personnel;</li> <li>(e) <b>Charge Management Services:</b> From the Operational Date through the remainder of the Term (defined below) charge Vehicles (defined below) and pay for related electricity; and license the Platform (defined below) to Customer as provided in the Terms and Conditions; and</li> <li>(f) <b>Operations Services.</b> From the Operational Date through the remainder of the Term provide access for Vehicles to, and operate and maintain, Chargers and Infrastructure; and reimburse Customer for Vehicle maintenance and repairs performed by Customer in accordance with the Terms and Conditions..</li> </ul>
<p><b>3. Vehicles; Chargers; System; Platform:</b></p>	<p>Provider's Services will be based on the operation and use of:</p> <ul style="list-style-type: none"> <li>(a) <b>Fourteen (14) Type C</b> electric school buses procured and owned by Customer, eight (8) of which (each, a "Clark Vehicle") will be located when not operating at the Clark Depot (defined below) and six (6) of which (each a "Cowlitz Vehicle;" any of the Clark Vehicles and the Cowlitz Vehicles, also a "Vehicle") will be located when not operating at the Cowlitz Depot (defined below) as further described on <b>TESA Exhibit 1A</b>;</li> <li>(b) Electric vehicle charging stations installed at the Premises, as further described on the preliminary System Site Plan attached as <b>TESA Exhibit 1B</b> (each, a "Charger");</li> <li>(c) Related equipment and infrastructure installed at the Premises, consistent with <b>TESA Exhibit 1B</b> (collectively, "Infrastructure;" the Chargers and Infrastructure, collectively, the "System"); and</li> <li>(d) The license to the Customer of Provider's intellectual property rights in the fleet management software platform that supports the System (the "Platform"), subject to the license terms set forth in the Terms and Conditions.</li> </ul>

<p><b>4. Premises:</b></p>	<p>The Chargers and Infrastructure will be installed and operated, and the Vehicles will be stored, at one of two (2) depot locations: (a) for the eight (8) Clark Vehicles, the real property and improvements thereon owned and occupied by the Kalama-Woodland-Ridgefield-La Center Transportation Cooperative ("KWRL") having a street address of <b><u>32519 Northwest 31st Avenue, Ridgefield, Washington 98642, Clark County Parcel No. 209699000</u></b> (the "Clark Depot"); and (b) for the six (6) Cowlitz Vehicles, the real property and improvements thereon owned and occupied by Customer having a street address of <b><u>989 Frazier Lane, Woodland, Washington 98674, Cowlitz County Parcel No. 5048201</u></b> (the "Cowlitz Depot"). (The Clark Depot and the Cowlitz Depot, each or together, as the context requires, are referred to herein as the "Premises.")</p> <p>Attached as <b><u>TESA Exhibit 1B</u></b> includes a preliminary plan ("System Site Plan") reflecting the layout of the System on the Premises. The preliminary System Site Plan is subject to revision as provided in the Terms and Conditions.</p>
<p><b>5. Operational Date; Anticipated Operational Date:</b></p>	<p>The date the Parties agree that the System is capable of being operated in accordance with the Terms and Conditions is the "Operational Date," as further described in the Terms and Conditions.</p> <p>The System will be operational, as contemplated by the Terms and Conditions, on the date that is twelve (12) months from the date of award of the WSCD Program Grant (as defined in <b><u>Exhibit 2C</u></b> of the TESA) by the Washington State Department of Ecology ("<b>Anticipated Operational Date</b>").</p>
<p><b>6. Term:</b></p>	<p>(a) "<b>Initial Term</b>": The period beginning the Operational Date, and ending on the last day of the <b>thirteenth (13<sup>th</sup>)</b> Contract Year (defined below).</p> <p>(b) "<b>Extension Term</b>": None, unless agreed.</p> <p>(c) "<b>Term</b>" means the period beginning the Effective Date and ending on the last day of the Initial Term or of the last Extension Term, as applicable, subject to earlier termination as provided in the TESA.</p> <p>(d) "<b>Contract Year</b>" means the 12-month period in the Term beginning the Operational Date or anniversary of the Operational Date.</p>
<p><b>7. Performance Assurances:</b></p>	<p>Subject to and as further detailed in the Terms and Conditions, Provider's Services are supported by the following performance assurances:</p> <p><b>Charger Uptime Guarantee.</b> Provider guarantees that the Charger ports will be Available (defined in the Terms and Conditions) to charge the Vehicles, measured each Contract Year based on a minimum Availability percentage, subject to agreed exclusions.</p> <p><b>Service Promise:</b> Provider agrees to promptly respond to Customer requests regarding System issues, to escalate Vehicle repair issues to appropriate parties, and to regularly evaluate System for performance matters.</p>
<p><b>8. Operating Parameters:</b></p>	<p>(a) "<b>Annual Mileage Allowance</b>": <b>11,700</b> miles/Vehicle/Contract Year</p> <p>(b) "<b>Vehicle Operating Period</b>" or "<b>VOP</b>" includes the following:</p> <p>(i) <b>6:30 am to 9:30 am and 2:00 pm to 5:00 pm</b> ("<b>Regular Operating Session</b>") on any day in Customer's published school year during the Term on which Customer's educational activities are in regular session; and</p> <p>(ii) The period outside of the Regular Operating Session that Customer operates a Vehicle for a "<b>Planned Excursion</b>," in accordance with the Terms and Conditions.</p> <p>(c) "<b>Distance Limitation</b>:" <b>250</b> miles away from the Premises in any direction.</p>
<p><b>9. Provider Use of System:</b></p>	<p>As detailed in the Terms and Conditions, Provider has the right to use the System outside the VOP, including to deploy the System to facilitate the provision of grid services (demand response and similar) or charging (including charging-for-a-fee), so long as this Provider use does not interfere with the Services and, consistent with the Terms and Conditions, the Customer authorizes such use.</p>
<p><b>10. Contract Price; Performance-Based Adjustments:</b></p>	<p>In consideration of the provision of Services by Provider, Customer will pay and tender to Provider the Contract Price, which is inclusive of the Base Service Fee, and all performance based fees and credits as detailed below.</p> <p>(a) "<b>Base Service Fee</b>": <b>\$15,600.00</b> per Vehicle per Contract Year, as provided in the Terms and Conditions, subject to escalation beginning the second Contract Year at a</p>



	<p>rate ("<b>Annual Escalator</b>") equal to <b>3%/year</b>, subject to adjustment as provided in the Terms and Conditions.</p> <p>(b) Performance-Based Fees and Credits:</p> <p>(i) "<b>Excess Mileage Fee</b>": <b>\$2.00</b> per mile per Vehicle per Contract Year above Annual Mileage Allowance</p> <p>(ii) "<b>Time of Use Fee</b>": <b>\$50.00</b> per hour outside of VOP per Vehicle.</p> <p>(c) If the Charger Uptime Guarantee is not satisfied in a Contract Year, then, for each <b>1%</b> (rounded to the nearest percentage) below <b>97%</b> that System Chargers are not "Available" (defined in the Terms and Conditions) in that Contract Year, Provider will provide "<b>Availability Credits</b>" to Customer equal to <b>1%</b> of the aggregate Base Service Fee (exclusive of taxes) paid for the Contract Year.</p> <p>(d) The total amount of Availability Credits that accrue in a Contract Year are capped at <b>10%</b> of the aggregate Base Service Fee paid for that Contract Year.</p>
<b>11. Regular Maintenance Credit and Reimbursement Rates:</b>	<p>Provider will reimburse Customer for Repair Work (defined in the Terms and Conditions), including the "<b>Annual Vehicle Work</b>" detailed on <b>TESA Exhibit 1A</b>, and Vehicle towing, all in accordance with the Terms and Conditions based on the following:</p> <p>(a) Reimbursable Labor Rate: <b>\$65.00</b> per hour for Vehicle Repair;</p> <p>(b) Towing Cap: <b>\$650.00</b> per Vehicle per tow;</p> <p>Parts – reimbursement at cost, subject to coordination with Provider.</p>
<b>12. Existing Incentives:</b>	<p>(a) An "<b>Existing Incentive</b>" means each of the following Incentives (defined in the Terms and Conditions) or Tax Attributes (defined in the Terms and Conditions) payable to, or inuring to the benefit of, Provider:</p> <p>(i) Make-ready incentive from the local distribution utility, Clark PUD, equal to <b>\$200,000.00</b>, to be used exclusively for the System located at the Clark Depot;</p> <p>(ii) Incentive Tax Credits equal to 30% of the eligible costs of Chargers and Infrastructure under Section 30C of the Inflation Reduction Act of 2022 ("<b>IRA</b>"); and</p> <p>(iii) Accelerated depreciation for the System.</p> <p>Existing Incentives shall be paid or credited to Provider.</p> <p>(b) A "<b>Customer Incentive</b>" means each of the following incentives payable to, or inuring to the benefit of, Customer:</p> <p>(i) The "<b>EPA CSB Incentive</b>" means <b>\$200,000.00</b> per Vehicle for each of the fourteen (14) Vehicles under the EPA Clean School Bus 2023 Rebate program, as to which Provider was the applicant and is the awardee; and</p> <p>(ii) Incentive Tax Credits equal to <b>\$40,000.00</b>/Vehicle under Section 45W of the IRA.</p> <p>Each Party will comply with the incentive compliance requirements applicable to such Party set forth on <b>TESA Exhibit 1C</b>.</p>
<b>13. Interconnection Limit:</b>	<p><b>\$241,000.00</b>, which covers the expected Provider costs, after applying any make-ready Existing Incentives, to connect the System to an on-Premises connection point and to interconnect from that point to the local electric utility system.</p>
<b>14. Governing Law; Venue:</b>	<p>This Purchase Order and the TESA shall be governed by and construed in accordance with the domestic laws of the State of Washington, without reference to any choice of law principles. As the exclusive means of bringing adversarial proceedings to resolve any dispute arising out of this Agreement or the subject matter of this Agreement, a party may bring such a proceeding in the United States District Court for the Western District of Washington or in the Cowlitz County Superior Court.</p>
<b>15. Future Electrification:</b>	<p>As detailed in the Terms and Conditions, Customer and Provider will collaborate to secure Incentives for Customer's future fleet electrifications, and Customer will consider working with Provider to on such future fleet electrifications, subject to applicable law, including procurement law.</p>
<b>16. Other:</b>	<p>Additional, Customer-specific provisions are included on <b>TESA Exhibit-2C</b>.</p>

<<<End of Highland Scope of Services. Signature Page follows.>>>



To place your order using this Quotation, please fill in the following required information and sign where indicated below.

**BILLING INFORMATION**

Name: Woodland School District 404

Address: 800 Second Street  
Woodland, WA 98674

Contact: Shannon Barnett, Director of KWRL  
Transportation Cooperative

Phone: 360-841-2023

Email: barnetts@kwrl.org

**SHIPPING INFORMATION**

Same as Billing

Name: Woodland School District 404

Address: Clark Depot: 32519 NW 31<sup>st</sup> Ave.,  
Ridgefield, WA 98642  
Cowlitz Depot: 989 Frazier Lane,  
Woodland, WA 98674

Contact: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**Woodland School District 404**

Asha Riley  
 Authorized Signatory Name (PRINT)

Superintendent  
 Title

360-841-2700  
 Phone

Asha Riley  
 Authorized Signatory's Signature

12/20/24  
 Date

riley.a@woodlandschools.org  
 Email

Remit signed Quotation/Orders to:

HEF-P WOODLAND, LLC  
 c/o HIGHLAND ELECTRIC FLEETS, INC.  
 200 Cummings Center, Suite 273D, Beverly, MA 01915  
[SOURCEWELLORDERS@HIGHLANDFLEETS.COM](mailto:SOURCEWELLORDERS@HIGHLANDFLEETS.COM)

**THANK YOU FOR YOUR BUSINESS!**

## TRANSPORTATION EQUIPMENT SERVICES AGREEMENT

### I. INTRODUCTION

This Transportation Equipment Services Agreement (“**Agreement**”) between the Customer and the Provider listed below (each a “**Party**”) is effective as of last date of signature of this Agreement (“**Effective Date**”). The Agreement includes and incorporates this **Part 1**, including the “Scope of Services” and its Exhibits and Schedules, included as **Part 1**, and the “Terms and Conditions” and its Exhibits, included as **Part 2**, as listed below:

**Part 1 – Transportation Equipment Services Agreement Introduction, Recitals, Scope of Services; Execution**

**Exhibit 1A** –Vehicle Specifications; Annual Vehicle Work

**Exhibit 1B** – Preliminary System Site Plan

**Exhibit 1C** – Incentive Compliance

**Part 2 –Terms and Conditions**

**Exhibit 2A** – Operational Date Certificate

**Exhibit 2B** – Termination Payment

**Exhibit 2C** – Customer-Specific Provisions

### RECITALS

To improve the ridership and driver experience, and generate environmental and health benefits, Customer desires to transition all or part of its vehicle fleet to electric vehicles. Provider’s turnkey “Depot” services involve three major components: (1) procurement and ongoing ownership of chargers and related infrastructure, (2) installation of the chargers and infrastructure, and (3) ongoing operational services including training, equipment operations and maintenance, charging (and paying for electricity), and provision of charge management and telemetry data via web-based software platform. The services are provided in exchange for an annual contract price paid by Customer to Provider.

### II. SCOPE OF SERVICES

This Scope of Services provides, in summary format, references and definitions for the Services to be provided by Provider to Customer under this Agreement. This Scope of Services is a summary and is modified by the Exhibits and Schedules to this Scope of Services and by the Terms and Conditions.

<b>1. Parties; Notice Addresses:</b>	(a) Customer: Woodland School District No. 404, a Washington public school district Notice Address: <u>800 Second Street, Woodland, WA 98674</u> Contact Name and Title: <u>Shannon Barnett, Director of KWRL</u> <u>Transportation Cooperative</u> Contact Phone and Email: <u>360-841-2023; barnetts@kwrl.org</u> (b) Provider: HEF-P Woodland, LLC, a Delaware limited liability company Notice Address: <u>200 Cummings Center, Suite 273D, Beverly, MA 01915</u> Contact Name and Title: <u>Benjamin M. Schutzman, COO</u> Contact Phone and Email: <u>610-220-5841; ben@highlandfleets.com;</u> <u>copy: <a href="mailto:notices@highlandfleets.com">notices@highlandfleets.com</a></u>
<b>2. Services:</b>	Customer retains Provider to provide, and Provider will provide the following “ <b>Services</b> ” for the Contract Price (defined in the Terms and Conditions), for the period identified below: (a) <b>Consulting Services:</b> Assist in planning for fleet electrification, including identifying incentives for future deployments; (b) <b>Procurement Services:</b> From the Effective Date through the Operational Date (defined below), and thereafter in Provider’s judgment, specify and procure the System (defined below), selecting components that optimize System performance and efficiency in light of Customer requirements; (c) <b>Installation Services:</b> Beginning the Effective Date, design, obtain required Approvals (defined in the Terms and Conditions) for, install, interconnect, and start-up, Chargers, Infrastructure, and related improvements at the Premises (defined below), consistent with the final System Site Plan (defined below); (d) <b>Training Services:</b> Before the Operational Date, at mutually agreed time(s), coordinate original equipment manufacturer (“ <b>OEM</b> ”) training and provide training in use of the System to Customer personnel;

	<p>(e) <b>Charge Management Services:</b> From the Operational Date through the remainder of the Term (defined below) charge Vehicles (defined below) and pay for related electricity; and license the Platform (defined below) to Customer as provided in the Terms and Conditions; and</p> <p>(f) <b>Operations Services:</b> From the Operational Date through the remainder of the Term provide access for Vehicles to, and operate and maintain, Chargers and Infrastructure; and reimburse Customer for Vehicle maintenance and repairs performed by Customer in accordance with the Terms and Conditions.</p>
<p><b>3. Vehicles; Chargers; System; Platform:</b></p>	<p>Provider's Services will be based on the operation and use of:</p> <p>(a) <b>Fourteen (14) Type C</b> electric school buses procured and owned by Customer, eight (8) of which (each, a "<b>Clark Vehicle</b>") will be located when not operating at the Clark Depot (defined below) and six (6) of which (each a "<b>Cowlitz Vehicle</b>;" any of the Clark Vehicles and the Cowlitz Vehicles, also a "<b>Vehicle</b>") will be located when not operating at the Cowlitz Depot (defined below), as further described on <b>Exhibit 1A</b>;</p> <p>(b) Electric vehicle charging stations installed at the Premises, as further described on the preliminary System Site Plan attached as <b>Exhibit 1B</b> (each, a "<b>Charger</b>");</p> <p>(c) Related equipment and infrastructure installed at the Premises, consistent with <b>Exhibit 1B</b> (collectively, "<b>Infrastructure</b>;" the Chargers and Infrastructure, collectively, the "<b>System</b>"); and</p> <p>(d) The license to the Customer of Provider's intellectual property rights in the fleet management software platform that supports the System (the "<b>Platform</b>"), subject to the license terms set forth in the Terms and Conditions.</p>
<p><b>4. Premises:</b></p>	<p>The Chargers and Infrastructure will be installed and operated, and the Vehicles will be stored, at one of two (2) depot locations: (a) for the eight (8) Clark Vehicles, the real property and improvements thereon owned and occupied by the Kalama-Woodland-Ridgefield-La Center Transportation Cooperative ("<b>KWRL</b>") having a street address of <b>32519 Northwest 31st Avenue, Ridgefield, Washington 98642, Clark County Parcel No. 209699000</b> (the "<b>Clark Depot</b>"); and (b) for the six (6) Cowlitz Vehicles, the real property and improvements thereon owned and occupied by Customer having a street address of <b>989 Frazier Lane, Woodland, Washington 98674, Cowlitz County Parcel No. 5048201</b> (the "<b>Cowlitz Depot</b>"). (The Clark Depot and the Cowlitz Depot, each or together, as the context requires, are referred to herein as the "<b>Premises</b>.")</p> <p>Attached as <b>Exhibit 1B</b> includes a preliminary plan ("<b>System Site Plan</b>") reflecting the layout of the System on the Premises. The preliminary System Site Plan is subject to revision as provided in the Terms and Conditions.</p>
<p><b>5. Operational Date; Anticipated Operational Date:</b></p>	<p>The date the Parties agree that the System is capable of being operated in accordance with the Terms and Conditions is the "<b>Operational Date</b>," as further described in the Terms and Conditions.</p> <p>The System will be operational, as contemplated by the Terms and Conditions, on the date that is twelve (12) months from the date of award of the WSCD Program Grant (as defined in <b>Exhibit 2C</b>) by the Washington State Department of Ecology ("<b>Anticipated Operational Date</b>").</p>
<p><b>6. Term:</b></p>	<p>(a) "<b>Initial Term</b>": The period beginning the Operational Date, and ending on the last day of the <b>thirteenth (13<sup>th</sup>)</b> Contract Year (defined below).</p> <p>(b) "<b>Extension Term</b>": None, unless agreed.</p> <p>(c) "<b>Term</b>" means the period beginning the Effective Date and ending on the last day of the Initial Term or of the last Extension Term, as applicable, subject to earlier termination as provided in this Agreement.</p> <p>(d) "<b>Contract Year</b>" means the 12-month period in the Term beginning the Operational Date or anniversary of the Operational Date.</p>
<p><b>7. Performance Assurances:</b></p>	<p>Subject to and as further detailed in the Terms and Conditions, Provider's Services are supported by the following performance assurances:</p> <p><b>Charger Uptime Guarantee.</b> Provider guarantees that the Charger ports will be Available</p>

	<p>(defined in the Terms and Conditions) to charge the Vehicles, measured each Contract Year based on a minimum Availability percentage, subject to agreed exclusions.</p> <p><b>Service Promise:</b> Provider agrees to promptly respond to Customer requests regarding System issues, to escalate Vehicle repair issues to appropriate parties, and to regularly evaluate System for performance matters.</p>
<b>8. Operating Parameters:</b>	<p>(a) <b>“Annual Mileage Allowance”:</b> <b>11,700</b> miles/Vehicle/Contract Year.</p> <p>(b) <b>“Vehicle Operating Period”</b> or <b>“VOP”</b> includes the following:</p> <p>(i) <b>6:30 am to 9:30 am and 2:00 pm to 5:00 pm</b> (<b>“Regular Operating Session”</b>) on any day in Customer’s published school year during the Term on which Customer’s educational activities are in regular session; and</p> <p>(ii) The period outside of the Regular Operating Session that Customer operates a Vehicle for a <b>“Planned Excursion,”</b> in accordance with the Terms and Conditions.</p> <p>(c) <b>“Distance Limitation:”</b> <b>250</b> miles away from the Premises in any direction.</p>
<b>9. Provider Use of System:</b>	<p>As detailed in the Terms and Conditions, Provider has the right to use the System outside the VOP, including to deploy the System to facilitate the provision of grid services (demand response and similar) or charging (including charging-for-a-fee), so long as this Provider use does not interfere with the Services and, consistent with the Terms and Conditions, the Customer authorizes such use.</p>
<b>10. Contract Price; Performance-Based Adjustments:</b>	<p>In consideration of the provision of Services by Provider, Customer will pay and tender to Provider the Contract Price, which is inclusive of the Base Service Fee, and all performance based fees and credits as detailed below.</p> <p>(a) <b>“Base Service Fee”:</b> <b>\$15,600.00</b> per Vehicle per Contract Year, as provided in the Terms and Conditions, subject to escalation beginning the second Contract Year at a rate (<b>“Annual Escalator”</b>) equal to <b>3%/year</b>, subject to adjustment as provided in the Terms and Conditions.</p> <p>(b) Performance-Based Fees and Credits:</p> <p>(i) <b>“Excess Mileage Fee”:</b> <b>\$2.00</b> per mile per Vehicle per Contract Year above Annual Mileage Allowance.</p> <p>(ii) <b>“Time of Use Fee”:</b> <b>\$50.00</b> per hour outside of VOP per Vehicle.</p> <p>(c) If the Charger Uptime Guarantee is not satisfied in a Contract Year, then, for each <b>1%</b> (rounded to the nearest percentage) below <b>97%</b> that System Chargers are not <b>“Available”</b> (defined in the Terms and Conditions) in that Contract Year, Provider will provide <b>“Availability Credits”</b> to Customer equal to <b>1%</b> of the aggregate Base Service Fee paid for the Contract Year.</p> <p>(d) The total amount of Availability Credits that accrue in a Contract Year are capped at <b>10%</b> of the aggregate Base Service Fee (exclusive of taxes) paid for that Contract Year.</p>
<b>11. Regular Maintenance Credit and Reimbursement Rates:</b>	<p>Provider will reimburse Customer for Repair Work (defined in the Terms and Conditions), including the <b>“Annual Vehicle Work”</b> detailed on <b>Exhibit 1A</b>, and Vehicle towing, all in accordance with the Terms and Conditions based on the following:</p> <p>(a) Reimbursable Labor Rate: <b>\$65.00</b> per hour for Vehicle Repair;</p> <p>(b) Towing Cap: <b>\$650.00</b> per Vehicle per tow;</p> <p>(c) Parts – reimbursement at cost, subject to coordination with Provider.</p>
<b>12. Existing Incentives:</b>	<p>(a) An <b>“Existing Incentive”</b> means each of the following Incentives (defined in the Terms and Conditions) or Tax Attributes (defined in the Terms and Conditions) payable to, or inuring to the benefit of, Provider:</p> <p>(i) Make-ready incentive from the local distribution utility, equal to <b>\$200,000</b>, to be used exclusively for the System located at the Clark Depot;</p> <p>(ii) Incentive Tax Credits equal to 30% of the eligible costs of Chargers and Infrastructure under Section 30C of the Inflation Reduction Act of 2022 (<b>“IRA”</b>); and</p> <p>(iii) Accelerated depreciation for the System.</p> <p>Existing Incentives shall be paid or credited to Provider.</p> <p>(b) A <b>“Customer Incentive”</b> means each of the following incentives payable to, or inuring to the benefit of, Customer:</p>

	<p>(i) The “EPA CSB Incentive” means <b>\$200,000.00</b> per Vehicle for each of the fourteen (14) Vehicles under the EPA Clean School Bus 2023 Rebate program, as to which Provider was the applicant and is the awardee; and</p> <p>(ii) Incentive Tax Credits equal to \$40,000/Vehicle under Section 45W of the IRA (“45W Tax Credit”).</p> <p>Each Party will comply with the incentive compliance requirements applicable to such Party set forth on <b>Exhibit 1C</b>.</p>
<b>13. Interconnection Limit:</b>	<b>\$241,000.00</b> , which covers the expected Provider costs, after applying any make-ready Existing Incentives, to connect the System to an on-Premises connection point and to interconnect from that point to the local electric utility system.
<b>14. Governing Law; Venue:</b>	This Agreement shall be governed by and construed in accordance with the domestic laws of the State of Washington, without reference to any choice of law principles. As the exclusive means of bringing adversarial proceedings to resolve any dispute arising out of this Agreement or the subject matter of this Agreement, a party may bring such a proceeding in the United States District Court for the Western District of Washington or in the Cowlitz County Superior Court.
<b>15. Future Electrification:</b>	As detailed in the Terms and Conditions, Customer and Provider will collaborate to secure Incentives for Customer’s future fleet electrifications, and Customer will consider working with Provider to on such future fleet electrifications, subject to applicable law, including procurement law.
<b>16. OTHER:</b>	<b>See Exhibit 2C.</b>

<<<<Signature page follows.>>>>

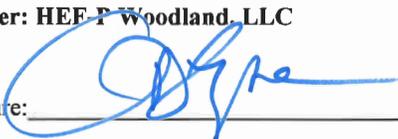
IV. AGREEMENT EXECUTION

INTENDING TO BE LEGALLY BOUND, Provider and Customer, through their duly authorized representatives, are executing and delivering this Agreement, effective as of the Effective Date.

Customer: Woodland School District No. 404

Provider: HEF-P Woodland, LLC

Signature: 

Signature: 

Printed Name: Asha Riley

Printed Name: A. Duncan McIntyre

Title: Superintendent

Title: President and CEO

Date: 12/20/24

Date: December 20, 2024

**Exhibit 1A of Part 1**  
**Vehicle Specifications: Annual Vehicle Work**

1. **Vehicle Specifications:** See attached.
2. **Annual Vehicle Work.** As used in this Agreement, “Annual Vehicle Work” generally means the annual preventative maintenance prescribed by the Vehicle OEM, and generally will include:
  - (a) Up to 15 hours of labor, which is the SRT (defined in the Terms and Conditions),
  - (b) Inspection and change or replacement, as needed or otherwise indicated below, of each of the following:
    - (i) Air compressor oil separator and main seal
    - (ii) Coolant system maintenance, fluid change
    - (iii) Electric Transmission Fluid Change
    - (iv) Power steering fluid all C2
    - (v) Power steering filter all C2
    - (vi) Battery Pack Desiccant (replacement)
    - (vii) Rear end fluid (change)
    - (viii) Air Drier
    - (ix) AC Filters
    - (x) Air compressor filter LG (replacement)
    - (xi) Air compressor filter SM (replacement)
    - (xii) Power steering Motor Lube
    - (xiii) Vehicle consumables (such as wiper blades, light bulbs, and similar), other than Vehicle tires
  - (c) Such other annual, semi-annual, quarterly, monthly, or other periodic Vehicle work required under Prudent Vehicle Practices (defined in the Terms and Conditions).

As of the Operational Date and from time to time during the Term thereafter, Provider may deliver written notice to Customer to revise the work included as part of Annual Vehicle Work to the extent necessary to conform to Vehicle OEM requirements or Prudent Vehicle Practices.

Subject the Terms and Conditions and the above requirements, Annual Vehicle Work shall be subject to reimbursement by Provider.

<<<End of Part 1, Exhibit 1A>>>



**Prepared For:**  
 SHANNON BARNETT  
 KWRL TRANSPORTATION CO-OP  
 360.225.8075  
 989 FRAZIER LANE  
 WOODLAND, WA 98674

**Territory Manager:**  
 MARK ZOLLNER  
[markz@schetkynw.com](mailto:markz@schetkynw.com)  
 971.990.7018  
 8430 NE LOMBARD ST.  
 PORTLAND, OR 97220

**Quote Number:**  
 388568

**Quote Date:**  
 8/7/2024

**Quote Expires:**  
 8/31/2024

**Saf-T-Liner C2 341TS - JOULEY**

**Product Type:** C - ELECTRIC  
**Year:** 2025  
**Chassis Model:** B2 106  
**Chassis MFG:** FREIGHTLINER  
**GVWR:** 33,000-LB  
**Passenger Capacity:** 77  
**Headroom:** 78  
**Wheelbase:** 279  
**Brake Type:** AIR  
**Engine Type:** PROTERRA ELECTRIC  
**Charge Type:** DC FAST CHARGE  
**Battery Capacity:** 226KWH  
**Transmission Type:** EATON 2-SPEED AUTOMATIC  
**Axle, Front:** 10,000-LB CAPACITY  
**Axle, Rear:** 23,000-LB CAPACITY  
**Tires, Front:** MICHELIN XZE2, 11R22.5 16 PLY  
**Tires, Rear:** MICHELIN X MULTI D PLUS 11R22.5 16 PLY  
**Suspension Front:** 10,000-LB TAPERLEAF  
**Suspension Rear :** 23,000-LB AIRLINER AIR RIDE

**As of November 21, 2024:  
 THESE SPECIFICATIONS ARE  
 TO BE REVISED TO INCLUDE  
 REAR CHARGING PORT  
 LOCATIONS FOR EACH BUS.  
 PRICING IS SUBJECT TO  
 ADJUSTMENT FOR SUCH  
 CHANGE.**

**\$412,671.00**

**Total for 1 complete unit(s):**

**Estimated Delivery: 210-240 ARO**  
**Total Unit Quantity** \_\_\_\_\_

**\*\*\*FULL PAYMENT DUE NET 30 DAYS POST DELIVERY, WE APPRECIATE YOUR PROMPT PAYMENT\*\*\***

*By signing below, you are acknowledging the specifications listed are complete and accurate. Order will be placed using the specifications listed.*

**Customer Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
*Authorized Signature*

**Accounts Payable Contact Name:** \_\_\_\_\_ **E-Mail :** \_\_\_\_\_

**Please forward All Remittances to Our Corporate Office: 8430 NE Lombard Street, Portland, OR 97220**

**Includes the Following Equipment:**

**BODY**

**CERTIFICATION/SAFETY**

- 1 REFLECTTAPE-RR END YEL 1"
- 1 REFLECTTAPE-SI EMER DR 30" YEL
- 1 REFLECTIVE TAPE-EMERGENCY DOOR REAR YELLOW
- 1 REFLECTTAPE-SIDE 2" @ FLR YEL
- 1 FIRE EXTINGUISHER-5 3A-40BC
- 1 HATCH-RF ESC SPEC ADVANTAGE H1975-015-131 ENGLISH (2)
- 1 TRIANGLES-REFL. 3 W/BOX
- 1 MOTOR-XING ARM AIR,SPECIALTY
- 1 BRACKET-XING ARM STOWAGE
- 1 OPEN VIEW - ES, HEATED, REMOTE
- 1 MIRROR-B EXTERIOR CROSSVIEW HEATED BLACK BRACKET
- 1 SIGN-STOP, AIR FRT #2980C
- 1 MIRROR-INTERIOR 6"X30" WITH RUBBER EDGE

**DOORS**

- 1 AIR OPERATED ENTRANCE DOOR
- 1 PULL-ENTRANCE DOOR, EXTERNAL ALUMINUM
- 1 DOOR-SI EMERG LS CTR 30" OPG
- 1 PAD-DR HEADER, SI EMER 30"W
- 1 PAD-DR HEADER, RR EMER 36"W
- 1 TREAD-STP ALUM.ENT DR GRAY KSEAL W/PEBBLE NOSING
- 1 RAIL-ASSIST FRONT ENTRANCE DOOR RIGHT SIDE 1"OD
- 1 CVR-KICK PLATE ENT DR-W/HTR LO
- 1 RAMP-SI DOOR 18" @ DOOR SILL

**ELECTRICAL - BODY**

- 1 FAN-CIRC MID W/S HDR BLACK
- 1 FAN-CIRC DRV'S WDO HDR BLACK
- 1 HORN-SPEAKER LS COWL LEG
- 1 RADIO-AM/FM DEA700 W/PAGE
- 1 ELEC-COAXIAL TWO-WAY RADIO ROOF
- 1 KIT-ANTENNA MOUNT AT ROOF
- 1 ELEC-ZONAR STANDARD MONITORING
- 1 LPS-DOME OVER DRIVER LED
- 1 LPS-DOME PASS 6 MIN LED 341T
- 1 SWITCH-RKR DOME LPS FRT/RR
- 1 LPS-STP/TAIL/DIR AMBER/REV LED
- 1 LAMPS-4" AUXILIARY L.E.D.
- 1 LPS-LIC PLATE ILLUMINATION LED
- 1 LPS-SI DIR AMBER FRT. LED PIN
- 1 LPS-WARNING LED (8)
- 1 LPS-ID AMB/RED LED
- 1 LPS-MKR ROOF FRT/RR LED PIN
- 1 LPS-MKR ROOF MID LED PIN
- 1 LPS- STOP/TAIL 4" FLS.MT L.E.D.
- 1 LAMPS-PILOT WARNING LIGHTS RED
- 1 LAMPS-PILOT WARNING LIGHTS AMBER
- 1 LPS-DOME REAR MOST LED
- 1 SPEAKERS-INT. 30 WAT.(6) 341T
- 1 112DB BACKUP ALARM

**EXTERIOR**

- 1 FLAPS-MUD, REAR 22.5"W
- 1 FLAPS-MUD, FRONT 16"W X 12"H
- 1 FENDERETTE-STL/RBR 21" SKIRT
- 1 RS STORAGE BOX ROH - 30" WIDE

**HVAC**

- 1 HEATER-UNDERSEAT LEFT SIDE 84,000 BTU LOCATION 4
- 1 HTR-U/S LS 84,000 BTU LOC 11
- 1 HOSE-HTR BLUSTRIP W/ W/H POS 11
- 1 HEATER-ENTRANCE DOOR STEPWELL
- 1 CLAMPS-PLUMBING HEATER CONSTANT TORQUE

- 1 CLAMPS-UNDERSEAT HEATER CONSTANT TORQUE
- 1 CONN-HTR(1) CONST TORQ/BLUSTRIP
- 1 COVER-FORWARD HEATER 84K
- 1 COVER-REAR HEATER 84K
- 1 RADIATOR MTD A/C CONDENSER
- 1 HEATER, DEFROSTER,AND DASH AIR COND

### **INTERIOR**

- 1 FLR-GRY VINYL W/13" CTR AISLE
- 1 FLR-BLK WHEELHOUSE AND HEATER
- 1 FLR-PLYWOOD 5/8" 341T
- 1 H/L-PASS AREA ACOUSTIC GREY 341T
- 1 INSULATION - RAFTER CAVITY 341T
- 1 SOUND ABATEMENT-STEPWELL WITH HEATER 2.25"
- 1 INSULATION - URETHANE
- 1 SEALANT-PLYWOOD FLOOR EDGES
- 1 SEALING-FLOOR COVERING

### **PAINT/LETTERING**

- 1 DECAL-REFL FRT CAP "SCHOOL BUS"
- 1 DECAL-REFL RR CAP "SCHOOL BUS"
- 1 PAINT-EXTERIOR ROOF WHITE 341T
- 1 PAINT-EXT GRD RAIL @ WINDOW BLACK
- 1 PAINT-EXT GRD RAIL @ SEAT BLACK
- 1 PAINT-EXT GRD RAIL @ FLOOR BLACK
- 1 PAINT-EXT GRD RAIL @ SKRT BLACK
- 1 PAINT-BLACK TRIM-FRONT/REAR ROOF CAPS
- 1 PAINT-SOLID COLOR YELLOW
- 1 HEADLINING-VESTIBULE ACOUSTIC, GRAY, DRIVER LAMP
- 1 PAINT:ONE SOLID COLOR,BASE/CLEARCOAT
- 1 CAB COLOR A:L5898EB SCHOOL BUS YELLOW ELITE BC
- 1 GRILLE: SILVER N3388H IMRON 5000

### **SEATS**

- 1 ALERT-S.T.A.R.S. PRESEN
- 1 BARRIER STORAGE POUCH, LEFT SIDE BEHIND DRIVER
- 1 39" BARR-VERT,WALL MT 45"H RS
- 1 39"8DEG BARR-REV. WALL-MT 45"H LS
- 2 PROFORM EDO GRAY UPHOLSTERY-45"HIGH RECESSED BARRIER
- 1 RAIL-ASSIST FRT ENT DR 39"W
- 1 BACK-NATIONAL DRV'S SEAT
- 1 ARMREST NATIONAL DRVR'S ST. BOTH SIDES
- 1 UPH DR.ST.FABRIC BLK NATIONAL
- 1 PEDESTAL-NATIONAL AIR W/2 SHOCKS
- 1 RETAINER NATIONAL DR.ST.BELT
- 1 POUCH-DR.ST.STORAGE NONE
- 1 KICKPLATE-MOD.PANEL RS 39"
- 1 RISER-DRIVERS SEAT, NATIONAL
- 1 SBR 26"LS 2-PASSENGER WALL MOUNT
- 10 SBR 39"LS 3-PASSENGER WALL MOUNT
- 1 SBR 39"LS 3-PASSENGER FLOOR MOUNT
- 13 SBR 39"RS 3-PASSENGER WALL MOUNT
- 1 SBR 39"LS 3-PASSENGER FLIP FLOOR MOUNT
- 26 FIREBLOCK GREY UPHOLSTERY - SBR PASSENGER SEAT

### **WINDOWS/GLASS**

- 1 GLASS-WINDSHIELD ONE PIECE WITH TINTED BAND
- 1 GLASS-RS FRT STAT TNT TEMP
- 1 GLASS-LS FRT STAT TNT TEMP
- 1 GLASS-REAR STAT TINTED TEMP
- 1 GLS-LWR RR DR TEMP TNT BONDED
- 1 GLS-UPR RR DR TEMP TNT BONDED
- 1 WDO-DRIVER'S TEMP TINT
- 1 GLASS- 30"W SI DR TEMP TNT

## **CHASSIS**

### **AXLES AND SUSPENSIONS**

- 1 ALIGNMENT-4-WHEEL SAF-T-LINER C2
- 1 DA-F-10-3 10,000# FF1 71.5 KPI/3.74 DROP SINGLE FRONT AXLE
- 1 SYNTHETIC 75W-90 FRONT AXLE LUBE
- 1 SYNTHETIC 75W-90 REAR AXLE LUBE
- 1 DA-RS-23-4 23,000# R-SRS SINGLE REAR AXLE
- 1 6.14 REAR AXLE RATIO
- 1 10,000 LB. TAPERLEAF FRONT SUSPENSION
- 1 AIRLINER 23,000 LB. REAR SUSPENSION
- 1 SINGLE AIR SUSPN LEVELING VALVES

### **BRAKES**

- 1 ALERT-ENHANCED STABILITY CONTROL
- 1 ELECTRONIC CONTROL UNIT-DASH, PARKBRAKE, INTELLIPARK
- 1 BENDIX ADB22X AIR DISC FRONT BRAKES
- 1 BENDIX ADB22X AIR DISC REAR BRAKES
- 1 EXTERNAL CHARGING SCHRADER VALVE
- 1 WABCO 4S/4M ABS W/HILL START AID

### **CHASSIS EQUIPMENT**

- 1 ELECTRIC MOTOR W/REGEN BRAKE W/BRAKE LAMPS
- 1 SANDEN HI VOLTAGE DC REFRIGERANT COMPRESSOR
- 1 ADJUSTABLE BRAKE & ACCELERATOR PEDALS
- 1 ADJUSTABLE STEERING COLUMN
- 1 7075MM (279") WHEELBASE
- 1 5/16" X 3" X 10-1/8" STEEL FRAME 120,000 PSI YIELD
- 1 FRONT FRAME-MOUNTED TOW HOOKS
- 1 REAR TOW HOOKS

### **ELECTRICAL - CHASSIS**

- 1 ACCESS-EV FRONT
- 1 HV CHARGING PORT RIGHT HAND SIDE AFT FRONT AXLE
- 1 AMETEK SUPPLIED ELECTRIC VEH CLUSTER STATE OF CHARGE
- 1 (2) DTNA GENUINE, HGH TEMP AGM STRT & CYC,MIN 1850CCA, 380RC
- 1 COLE HERSEE BATTERY SHUT-OFF SWITCH WITH LOCKOUT AT BBOX
- 1 LED HEADLIGHT & INCANDESCENT MARKER/TURN LAMP, IGNITION ENA
- 1 ELECTRONIC STABILITY CONTROL

### **ENGINE AND EQUIPMENT**

- 1 PROTERRA OUTBOARD ELECTRIC MOTOR CONTINUOUS 226KW/161HP
- 1 ANTI-FREEZE TO -34F, OAT (NITRITE AND SILICATE FREE)EXT LIFE
- 1 WABCO SS HP W/HEATER INTEGRAL GOVERNOR
- 1 ADDL AUX LINES W/MANIFOLD PLUMBING AND COMBINED SHUTOFF
- 1 GATES BLUE STRIPE COOLANT HOSES
- 1 CONSTANT TORQUE BREEZE CLAMPS ON 1" IN DIA GREATER, SS C
- 1 30,600 BTU STEPWELL HEATER, RH FRONT ENTRANCE DOOR
- 1 65 MPH ROAD SPEED LIMIT

### **TRANSMISSION AND EQUIPMENT**

- 1 EATON 2-SPEED ELEC VEH GEARBOX
- 1 ARENS CONTROL PUSH BUTTON SHIFTER FOR PROTERRA/EATON POWERTR

### **WHEELS AND TIRES**

- 1 RADIAL FRONT TIRE, MICHELIN XZE2,11R22.5 16 PLY
- 1 MICH X MULTI D PLUS 11R22.5 16 PLY REAR TIRES
- 1 FRONT ACCURIDE 51487 22.5X8.25 10-HUB PILOT, 5-HAND WHEELS
- 1 REAR ACCURIDE 51487 22.5X8.25 10-HUB PILOT, 5-HAND WHEELS
- 1 ACCURIDE PK-BLACK21 POWDER BLACK WHEEL (N0001H)- FRONT
- 1 ACCURIDE PKBLK21 POWDER BLACK WHEEL (N0001H) - REAR

## **DEALER ADD On's**

### **EQUIPMENT**

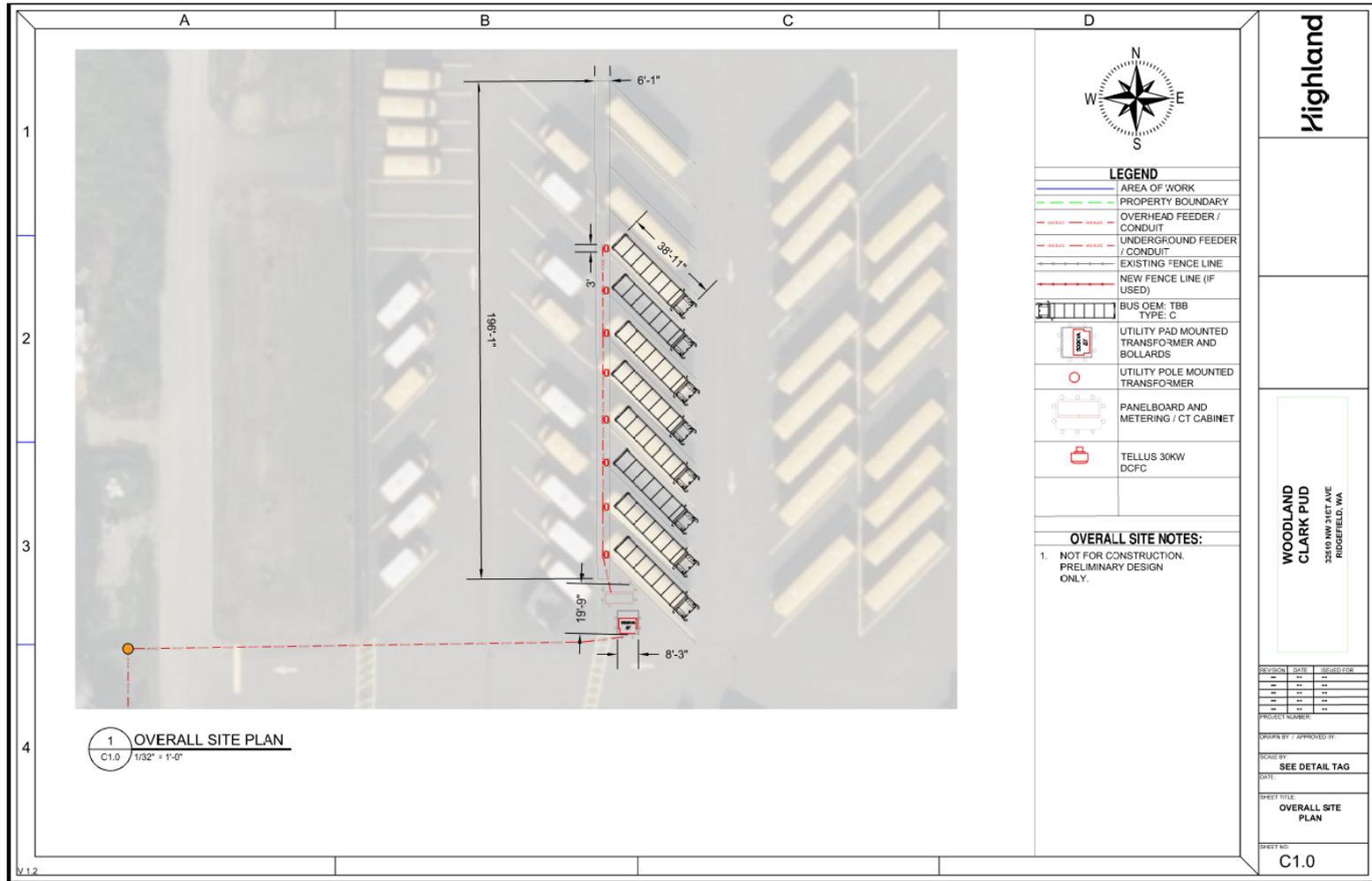
- 1 WASHINGTON STATE LEGALS
- 1 SAFETY VISION DVR W/ 8 CAMERAS – SHIPPED LOOSE

**Meets all FMVSS requirements in effect at the time of manufacture.**

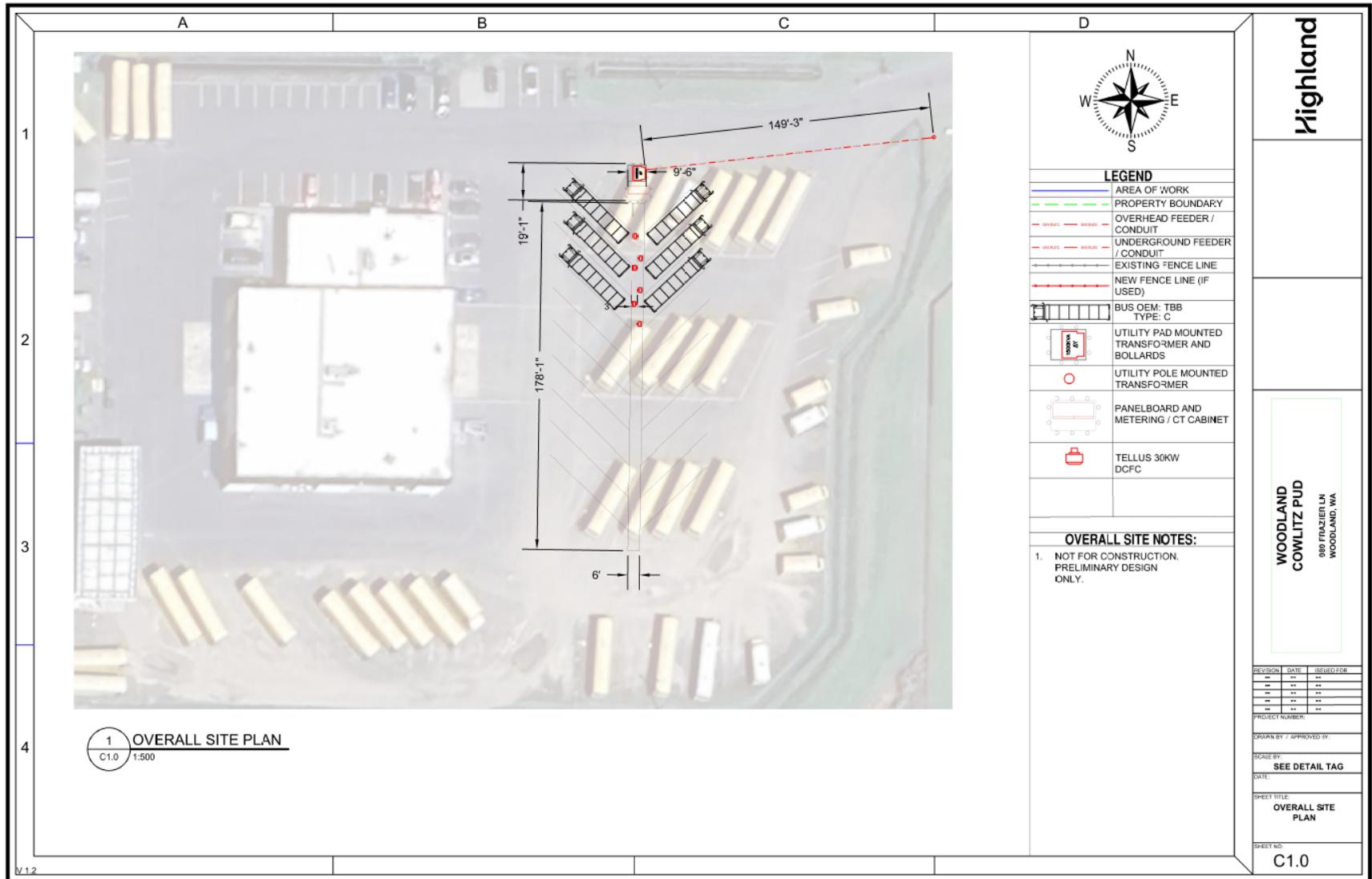


**Exhibit 1B of Part 1**  
**Preliminary System Site Plan**

Clark Depot:



Cowlitz Depot:



<<<End of Part 1, Exhibit 1B>>>

**Exhibit 1C of Part 1**  
**Incentive Compliance**

1. Customer will assure that during the Term, each Vehicle will be used exclusively to provide pupil transportation and related transportation services to a public school.
2. Customer will assure that, from the Operational Date through at least the fifth (5<sup>th</sup>) anniversary of the Operational Date, each Vehicle will be used exclusively to serve **Woodland School District 404**, and the other Washington State public schools within and/or served by the **KWLR Transportation Cooperative**.
3. During the Term, Customer will assure that each Vehicle will be used significantly to transport preprimary, primary, and secondary school students to or from school or an event related to school.
4. Customer and Provider acknowledge and agree that **Woodland School District 404** was the school district listed on the application for the EPA CSB Incentive.
5. Customer and Provider agree that, upon the request of the Environmental Protection Agency (the “EPA”), the Vehicles will be made available for inspection by the EPA or its authorized representatives during the Term through the fifth (5<sup>th</sup>) anniversary of the Operational Date.
6. On or before December 31, 2026, Customer will scrap, sell, or donate, or cause to be scrapped, sold, or donated, at least **fourteen (14) Type C** fully operational diesel school buses with a gross vehicle weight rating of 10,001 pounds or more or other EPA-qualified, scrappage-eligible vehicle (each a “**Replaced Vehicle**”), in accordance with the EPA guidelines and requirements for eligible existing school buses under the EPA CSB Incentive program, and will provide evidence of the scrapped, sold, or donated Replaced Vehicles to the Provider for further provision to the EPA in the manner and in the timeframe required pursuant to the EPA CSB Incentive program. Unless a scrappage waiver has been approved prior to the start of the project, Customer will provide to Provider such additional evidence for each Replaced Vehicle as may be requested by Provider, including use and operation log establishing vehicle eligibility as well as a signed scrappage statement. The Parties acknowledge that the EPA CSB Incentive cannot be used to replace vehicles that do not meet the EPA CSB Incentive eligibility criteria.
7. On or before December 31, 2026, Customer will provide all information reasonably requested by Provider to complete, and Provider will complete and submit to the EPA, the ‘Close Out Form’ required under the EPA CSB Incentive program with respect to the Vehicles and the Replaced Vehicles.
8. As soon as practicable, but, in any event, within sixty (60) days after the Operational Date, Customer will provide to Provider each of the following, to the extent in Customer’s possession or under Customer’s control: (a) copies of invoices and proofs of delivery for the Vehicles and other components of the System that are ‘eligible infrastructure’ funded by the EPA CSB Incentive; and (b) one photo of the exterior of each Vehicle labeled with the last four (4) digits of the Vehicle Vendor Identification Number (VIN); and (c) one photo of each charging pedestal that is part of the charging infrastructure funded by the EPA CSB Incentive.
9. **Audit Requirements.** In accordance with 2 CFR § 200.501(a), each Party agrees to obtain a single audit from an independent auditor, if their organization expends \$750,000 or more in total Federal funds in their fiscal year for that year. Because of this audit requirement, documentary support for expenditures on behalf of beneficiaries is required. To the extent a Party is required under this provision to obtain an audit and requires information from the other Party to complete such audit, the other Party shall provide information and shall take such actions as reasonably requested by the Party undertaking the audit. Additionally, each Party acknowledges that the EPA will conduct random reviews of grant recipients to protect against waste, fraud, and abuse. As part of this process, the EPA, or its authorized representatives, may request copies of grant documents from the Parties to verify statements made on the EPA CSB Incentive application and reporting documents. The Parties acknowledge that they may be selected for advanced monitoring, including a potential site visit to confirm project details. The EPA, or its authorized representatives, may also conduct site visits to confirm documentation is on hand and that replacement buses are still in service for Customer, as well as confirm applicable infrastructure adheres

to Buy America, Build America requirements (see below). The Parties agree to comply with site visits requests and recordkeeping requirements and agree to supply the EPA with any requested documents three (3) years from the date of the final expenditure report, or risk cancellation of the EPA CSB Incentive or other enforcement action.

10. **Access to Records.** In accordance with 2 CFR § 200.337, the EPA and the EPA Office of Inspector General (the “**EPA OIG**”) have the right to access any documents, papers, or other records, including electronic records, of the Parties which are pertinent to the EPA CSB Incentive in order to make audits, examinations, excerpts, and transcripts. This right of access also includes timely and reasonable access to the Parties’ personnel for the purpose of interview and discussion related to such documents. This right of access shall continue as long as the records are retained.
11. **Record Retention.** In accordance with 2 CFR § 200.334, each Party must keep all financial records, supporting documents, accounting books and other evidence of activities related to the EPA CSB Incentive for three (3) years from the submission of the final expenditure report. If any litigation, claim, or audit is started before the expiration of the three (3) year period, each Party must maintain all appropriate records until these actions are completed and all issues resolved.
12. **Whistleblower Protections.** This Agreement is subject is to whistleblower protections, including the protections established at 41 U.S.C. § 4712 providing that an employee of either Party may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a covered person or body information that the employee reasonably believes is evidence of gross mismanagement of a Federal grant or subaward, a gross waste of Federal funds, an abuse of authority relating to a Federal grant or subaward, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal grant or subaward. These covered persons or bodies include: (1) a member of Congress or representative of a committee of Congress; (2) an Inspector General; (3) the Government Accountability Office; (4) a Federal employee responsible for contract or grant oversight or management at the relevant agency; (5) an authorized official of the Department of Justice or other law enforcement agency; (6) a court of grand jury; and (7) a management official or other employee of the contractor, subcontractor or grantee who has the responsibility to investigate, discover, or address misconduct.
13. **Build America, Buy America.** Each Party is subject to the Buy America Sourcing requirements under the Build America, Buy America provisions of the Infrastructure Investment and Jobs Act (“**IJA**”) (P.L. 117-58, §§70911-70917) when EPA CSB Incentive funds are used for the purchase of goods, products, and materials for the types of infrastructure projects contemplated by this Agreement and specified under the EPA program and activities specified in the chart, “Environmental Protection Agency’s Identification of Federal Financial Assistance Infrastructure Programs Subject to the Build America Buy America Provisions of the Infrastructure Investment and Jobs Act.” The Buy America preference requirement applies to all the iron and steel, manufactured products, and construction materials used for all infrastructure projects funded by the EPA CSB Incentive under this Agreement. This includes, but is not limited to, electric bus charging infrastructure, battery energy storage systems, or renewable on-site power generation systems that power the buses and equipment, as well as any other permanent public structure that meets the infrastructure definition in Office of Management and Budget’s Memorandum M-22-11, Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure. ZE (Zero Emission) or clean school buses funded by the EPA CSB Incentive are not considered infrastructure for purposes of the Buy America preference requirement. While the Parties are encouraged to consider the purchase of domestically produced buses when possible, the EPA does not endorse or otherwise prefer any specific brand of ZE or clean school buses. Each Party acknowledges and agrees that no part of the EPA CSB Incentive may be used for a project of infrastructure unless all iron and steel, manufactured products, and construction materials that are consumed in, incorporated into, or affixed to an infrastructure project are produced in the United States, and the cost of the components of manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard that meets or exceeds this standard has been established under applicable law or regulation for determining the minimum amount of domestic content of the manufactured product. The Buy America preference requirement applies to an entire infrastructure project, even if it is funded by both Federal and non-Federal funds. Each Party must implement these requirements in its procurements with respect to this Agreement, and these requirements must flow down to all subcontracts at any tier. (See the EPA’s Build America, Buy America website and the Office of Management and Budget’s Memorandum M-22-11, Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure.) When supported by rationale provided in IJA § 70914, either Party may submit a waiver request in writing to the EPA. The EPA may waive the application of the Buy America Preference when it has determined that one of the following exceptions applies: (1) applying the Buy America Preference would be inconsistent with the public interest; (2) the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient

and reasonably available quantities or of a satisfactory quality; or (3) the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent. For legal definitions and sourcing requirements, the Parties agree to consult EPA's Build America, Buy America website.

14. **Cooperation with Reporting Requirement.** Customer agrees to use its best efforts to cooperate with Provider in its completion of quarterly progress reports, workplan modification reports, and other reports required to be submitted to the EPA. Such cooperation includes but is not limited to Customer's retention and timely provision of documents related to this Agreement, timely and reasonable access to Customer's personnel for the purpose of interview and discussion related to such documents, tracking of project progress as requested by Provider, reporting to Provider any deviations from budget or project scope or objective (including additions, deletions, or changes the schedule, budget, or workplan), and responding in a timely manner to other inquiries by Provider as necessary for the completion of quarterly progress reports.
15. **Use of Submitted Information.** Applications and reporting materials submitted in relation to the EPA CSB Incentive may be released in part or in whole in response to a Freedom of Information Act ("FOIA") request. The EPA recommends that applications and reporting materials not include trade secrets or commercial or financial information that is confidential or privileged, or sensitive information that, if disclosed, would invade another individual's personal privacy (e.g. an individual's salary, personal email addresses, etc.). However, if such information is included, it will be treated in accordance with 40 CFR § 2.203 (see EPA clause IV.a, Confidential Business Information, under EPA Solicitation Clauses). The EPA will use information submitted by the Parties in its annual report to Congress that is due no later than January 31 of each year of the EPA CSB Incentive program. Pursuant to the EPA CSB Incentive program's statute, the report will include: (a) the total number of applications received; (b) the quantity and amount of grants and rebates awarded and the location of the recipients of the grants and rebates; (c) the criteria used to select the recipients; and (d) any other information the EPA considers appropriate. The EPA reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, for federal purposes, submitted bus photos, including use in program materials.
16. **Training.** For any training for Customer personnel and agents conducted by or for Provider as part of the Training Services or as otherwise required under this Agreement, Provider may provide reasonable light refreshments or light meals and Highland®-branded items to assure engaged attendance in the trainings by all participants; provided that the foregoing shall comply with applicable Customer policies and applicable law.
17. **Use of EPA CSB Incentive Funds.** Consistent with the requirements of this Agreement and the EPA CSB Incentive, Customer will use the EPA CSB Incentive funds passed through to Customer by Provider solely to acquire and operate the fourteen (14) Type C Vehicles pursuant to this Agreement, each of which will be stored and charged at the Premises when not being operated to provide student transportation for Customer consistent with this Agreement. Customer shall not be entitled to a payment of the EPA CSB Incentive in excess of the price of fourteen (14) Type C Vehicles. Without limitation, on or before December 15, 2024, Customer shall have entered into a binding purchase order or other agreement to purchase and acquire the fourteen (14) Type C Vehicles supported by the EPA CSB Incentive and, no later than December 15, 2024, will have submitted a true correct copy of such purchase order or other agreement to the Provider for further submission to the EPA consistent with the requirements of the EPA CSB Incentive.
18. **Customer Compliance and Indemnification.** Customer will timely comply with the requirements of this **Exhibit 1C**. Customer shall indemnify Provider and hold Provider harmless from and against all fees or fines imposed by a Governmental Authority on Provider due to Customer's failure to comply with this **Exhibit 1C**. Customer acknowledges and agrees that Customer's failure to comply with any provision of the Agreement may result in revocation, recapture, or cancellation of the EPA CSB Incentive, related interest, damages, and penalties.
19. **EPA CSB Incentive Funds Payment.** Customer shall be entitled to reimbursement for the purchase price of Vehicles to be paid by the EPA CSB Incentive funds, and not as an advance, in accordance with this **Section 19**.
  - (a) Upon acquisition and payment by Customer for the Vehicles supported by EPA ESB Incentive funds, Customer shall submit to Provider a written application for payment signed by Customer that certifies that the Vehicles for which EPA CSB Incentive funds reimbursement is requested have been acquired and paid for in accordance with the provisions of this Agreement together with supporting documentation. Provider shall pay to Customer the portion of EPA CSB Incentive funds covered by the application for payment no later than 60 days after the application for

payment is delivered to Provider or, if later, no later than 10 days after EPA CSB Incentive funds are paid by the EPA to Provider with respect thereto.

- (b) Upon receipt of an application for payment of any portion of the EPA CSB Incentive funds, Provider shall have the right but not the obligation to inspect the Vehicles covered by the application for payment and to conduct such inquiry as Provider may elect to assure that any other condition to payment (including delivery of appropriate certification) has been satisfied. If Provider disapproves all or any portion of an application for payment, Provider shall provide written notice to Customer that identifies the reason for the disapproval and may withhold the portion of EPA CSB Incentive funds relative to the disapproval until the basis for the disapproval is remedied. Upon effecting a remedy of any disapproved matter, Customer shall be paid any amount of EPA CSB Incentive funds so withheld.
- (c) Upon Customer's receipt of any reimbursement for EPA CSB Incentive funds, Customer shall release, waive, and forever discharge Provider from any and all claims, demands, liens, and claims of lien, known or unknown, in respect of the Vehicles and payment therefor that Customer then has or thereafter might or could have, related to the EPA CSB Incentive funds to the extent of the reimbursement payment therefor, except those good faith claims made in writing and identified by the Customer at or prior to the date the Customer submits an application for payment of the EPA CSB Incentive funds.
- (d) Customer shall be responsible for and shall pay when due all federal, state and local taxes, governmental charges, or fees that may be imposed upon any EPA CSB Incentive funds payment to Customer. Customer shall also be responsible for the payment of all federal, state and local taxes and contributions attributable to Customer's payroll or self-employment or income, including, but not limited to, social security and state and federal income tax.
- (e) Provider's obligation to pay all or any portion of the EPA CSB Incentive funds as reimbursement for purchase of fourteen (14) Vehicles, as contemplated by this Section shall be: (i) suspended to the extent and effective the date the EPA suspends payments of EPA CSB Incentive funds to Provider for any reason; or (ii) terminated to the extent and effective the date the EPA terminates payments of EPA CSB Incentive funds to Provider for any reason or terminates the EPA CSB Incentive for any reason; and the foregoing shall apply to any Provider reimbursement, even if an application for payment of such reimbursement is provided by the Customer prior to the suspension or termination by the EPA. In the event of an EPA suspension under subsection (e)(i) that endures for more than 180 days or an EPA suspension under subsection (e)(ii), each of Provider and Customer shall have the right to terminate this Agreement effective upon delivery of a written termination notice to the other party.

## 20. Customer Covenants and Remedial Plan.

- (a) Ongoing Customer Covenants. During the Term, no later than fifteen (15) days after Customer first becomes aware that a Material Adverse Event (defined below) has occurred or is reasonably likely to occur, Customer will deliver to Provider a written notice (an "**MAE Notice**") describing the Material Adverse Event. A "**Material Adverse Event**" means any event, occurrence, or circumstance that, directly or indirectly, and with or without notice or lapse of time,; (A) will interfere with or impair the Customer's ability to conduct its operations substantially in the manner as Customer's operations are conducted as of the Effective Date; (B) will interfere with or impair the Customer's ability to operate the Vehicles and the System and timely perform Customer's obligations consistent with the requirements of this Agreement; (C) is a notice from the EPA to Customer or Provider identifying issues with the use of EPA CSB Incentive funds, or opening an inquiry or investigation into the EPA CSB Incentive funds and the Customer or Provider, or into the Customer; or (D) will interfere with or impair the Customer's ability to undertake and complete the purchase, acquisition and operation of the Vehicles purchased with EPA CSB Incentive funds consistent with the requirements of this Agreement. Customer will immediately deliver to Provider any notice or other communication (including via email, SMS text message, or other message platform) from the EPA or any other governmental agency or representative or from any claimant relating to the EPA CSB Incentive, the Vehicles, or the System.
- (b) Remedial Plan. Within thirty (30) days after: (i) the date ("**Plan Initiation Date**") Customer fails to satisfy any of the covenants in Section 20 (a), (ii) the date (also a "**Plan Initiation Date**") Customer delivers to Provider an MAE Notice, or (iii) the date (also a "**Plan Initiation Date**"), the EPA delivers notice of an investigation into or issues with the EPA CSB Incentive funds, the Customer, the Vehicles, the System, or the Provider, the Customer and Provider will meet to determine the best way(s) to address the covenant failure, Material Adverse Event, or matters subject to EPA inquiry so that, through the balance of the Term, Customer is not a Defaulting Party under this Agreement. Each

Party will participate in such meeting and any ensuing discussions in good faith and will use reasonable efforts to agree on a written remedial plan (“**Remedial Plan**”) that addresses the covenant failure, Material Adverse Event, or matters subject to EPA inquiry. So long as Customer complies with its obligations under this **Section 20(b)** and with the provisions of any Remedial Plan, then the failure to fulfill any Customer covenant in **Section 20(a)** will not, of itself, be a Default Event by Customer.

- (c) **Provider Obligations.** Provider shall have no obligation under this Agreement or otherwise identify any issues or noncompliance with respect to the Customer or the EPA CSB Incentive funds, suggest ways for Customer to correct any noncompliance or violation with respect to the Customer, or correct any noncompliance or violation with respect to the Customer or the EPA CSB Incentive. Provider, its employees, and agents shall have no liability, direct or indirect, to Customer, the EPA, any agent of either of them, or claimant by or through either of them, with respect to: any noncompliance or violation of this Agreement by, or on behalf of, Customer; the performance by Customer or its agents of this Agreement; or the EPA CSB Incentive; and Customer releases Provider, its employees, and agents from, and expressly waives, any such liability. However, the preceding sentence shall not apply to the willful acts or failures by Provider.

- 21. **Pass-Through Agreement.** This Agreement, including this **Exhibit 1C**, is intended to serve as a pass-through or subaward agreement for purposes of the EPA CSB Incentive. If Provider deems it reasonable or prudent, Customer and Provider also shall execute and deliver a separate written pass-through agreement reflecting the provisions of this Agreement and consistent with the requirements of the EPA CSB Incentive.

<<<End of Part 1, Exhibit 1C>>>

**Part 2**  
**Terms and Conditions**

1. **Interpretation; Relation to Scope of Services.** These Term and Conditions and related exhibits and attachments (“**Terms and Conditions**”) are incorporated into and made part of the Transportation Equipment Services Agreement to which these Terms and Conditions are attached as a Part. Such Transportation Equipment Services Agreement, these Terms and Conditions, and all other Parts, Exhibits, and Schedules thereto and hereto form the “**Agreement**” between Customer and Provider. Capitalized words used but not defined in these Terms and Conditions have the meanings assigned to them elsewhere in the Agreement.
2. **Contract Price; Performance Related Adjustments; Invoicing.**
  - a. **Contract Price.** In consideration of the Services, Customer will pay Provider the “**Contract Price**,” which means the Base Service Fee, plus any Excess Mileage Fees and Time of Use Fees, net of Vehicle Repair reimbursements and any Availability Credits, and which shall be payable as set forth below.
    - i. ***Base Service Fee.*** The Base Service Fee will be payable on a per-Vehicle basis annually, in advance, with the first installment of the Base Service Fee due on the Operational Date for the first Contract Year, and all subsequent installments due and payable on the first day of each Contract Year thereafter. Provider will invoice Customer for the annual, aggregate Base Service Fee in advance of the due date, except that the first Base Service Fee payment will be invoiced on or after the Operational Date. The Base Service Fee will be subject to increase each Contract Year after the first Contract Year at a rate equal to the Annual Escalator (defined in the Scope of Services), subject to adjustment as provided in **Section 5**. The aggregate Base Service Fee for a Contract Year means the Base Service Fee applicable for that Contract Year multiplied by the number of Vehicles based on which Services are provided during that Contract Year.
    - ii. ***Performance Related Fees and Credits.*** Excess Mileage Fees and Availability Credits shall be paid or credited annually; and Time of Use shall be paid or credited monthly. Provider will invoice Customer for all Excess Mileage Fees, Time of Use Fees, and Availability Credits at least annually following the Contract Year as to which such fees or credits accrue; however, in Provider’s discretion, Provider alternatively may invoice Customer for Time of Use Fees on a monthly, quarterly, or annual basis instead. The amount of the Time of Use Fees and the Excess Mileage Fees will increase by the Annual Escalator as of the first day of each Contract Year after the first Contract Year.
    - iii. ***Maintenance Reimbursement and Credits.*** Maintenance reimbursements and credits shall accrue and be invoiced as Customer incurs and reports expenses for Repair Work consistent with this Agreement. The maintenance reimbursement process is further described below.
  - b. **Performance Related Price Adjustments.** The Scope of Services and **Section 3** identify and define Availability Credits that, once accrued, will result in related adjustments to the Contract Price, subject to a cap on the total amount of Availability Credits that can accrue in any Contact Year equal to 10% of the aggregate Base Service Fee paid for such Contract Year. The Contract Price also will be adjusted in respect of reimbursements for Repair Work in accordance with **Section 10**. In addition, the Contract Price will be adjusted as follows:
    - i. ***Excess Mileage Fees.*** For each mile that Customer operates a Vehicle in any Contract Year in excess of the Annual Mileage Allowance for that Vehicle, Customer shall pay to Provider an amount equal to the Excess Mileage Fee multiplied by the number of miles in excess of the Annual Mileage Allowance.
    - ii. ***Time of Use Fees.*** For any hour that a Vehicle is not plugged into the Chargers, excluding any hour that is (A) during the Vehicle Operating Period, (B) during a required Repair Work period, or (C) otherwise approved by, or caused by the actions of, Provider. Time of Use Fees shall accrue and will be payable by Customer to Provider.
  - c. **Invoices and Payment Terms.** Annual and monthly invoices shall be provided by Provider to Customer in accordance with this Section. All amounts due under this Agreement are due and payable within thirty (30) days following receipt of invoice. All payments shall be made in U.S. dollars.

3. **Performance Assurances.**

- a. **Charger Uptime Guarantee.** Provider guarantees that, in each Contract Year, the Chargers will be “Available” (defined below) for charging, measured annually (the “**Charger Uptime Guarantee**”). The Chargers will be deemed “Available” in any Contract Year if the number of charger ports on such Chargers equal to the number of Vehicles in the System are capable of charging the Vehicles 24 hours a day, each day in such Contract Year in a manner materially consistent with the specifications of the applicable Charger to which each such charging port is attached, including factors such as duration and power quality; *provided that*, a charger port shall be deemed “Available” during any period such charging port is not operating due to a Permitted Exclusion (defined below) and during any period Provider makes an operational Redundant Port (defined below) available at the Premises instead of such charging port. Any charging ports that are part of the System in excess of the number of Vehicles included in the System are referred to as “**Redundant Ports**” and may be substituted for a charging port that may not be available for charging for purposes of compliance with the Charger Uptime Guarantee. Provider shall use reasonable efforts to designate charging ports as “in service” and “out of service” if Redundant Ports are used as substitutes; and Customer shall use reasonable efforts to assure that each Vehicle is plugged into an in-service Charger port when the Vehicle is not being driven. “**Permitted Exclusions**” means (i) grid outages, blackouts, telecommunications or Internet outage or unavailability, and similar events, (ii) Customer acts or omissions (including Customer failure to properly plug a Vehicle into an in-service Charger port, facility or parking area construction requiring shut off, Vehicle accidents, theft, or vandalism, failure to provide reasonable access to Vehicles), (iii) Force Majeure Events (defined below); and (iv) scheduled preventive maintenance and testing (not to exceed 40 hours per Contract Year, to be scheduled at times that is mutually convenient for the Parties). As of the last day of each Contract Year in which the Charger Uptime Guarantee is not satisfied, an Availability Credit, calculated in accordance with the Scope of Services, will accrue for the benefit of the Customer and will be applied to reduce future Contract Price payments otherwise due from Customer in accordance with the Terms and Conditions (or, for Availability Credits accruing for the final Contract Year, paid to Customer within sixty (60) days after the last day of such final Contract Year).
- b. **Service Promise.** Provider shall meet the following service-level obligations: (i) for each identified issue with the System submitted by Customer through agreed communication channels, provide a remote response within 30 minutes of receipt during business hours (9:00 am to 5:00 pm local time) on any business day, with calls made after the end of a business day receiving a response on the next business day), (ii) manage and oversee enforcement of Vehicle manufacturer and dealer warranties and work with Customer to coordinate Vehicle repairs, including implementing reporting and other processes with Customer to support timely repairs (including weekly status reports where applicable for major repairs), and (iii) implement periodic (at least semi-annual) Customer surveys and System operations reviews (“**Service Promise**”).

4. **Conditions Precedent; Contract Price Exclusions.**

- a. **Conditions Precedent.** If any Condition Precedent (defined below) is not timely satisfied, upon the request of the Provider delivered within sixty (60) days after the failure of such Condition Precedent, then, for thirty (30) days following written notice from Provider, the Parties shall attempt to negotiate an adjustment to the Base Service Fee applicable as of the Operational Date. After such thirty (30) day negotiation period, either Party that participates in such negotiations in good faith may terminate this Agreement by providing ten (10) days’ prior written notice to the other Party, provided that this Agreement shall not terminate if, prior to the expiration of such 10-day period, the Provider withdraws its negotiation request in writing. Neither Party shall be liable for any damages in connection with such termination. Prior to the Operational Date, the following conditions (each a “**Condition Precedent**”) shall be satisfied:
- i. The Interconnection Cost (defined below) shall not exceed the Interconnection Limit detailed in the Scope of Services;
  - ii. Each Approval (defined below) shall have been secured for the System, on a timely basis and without any condition or requirement that a change should be made to the System or the System Site Plan attached as **Exhibit 1B**;
  - iii. All applicable Existing Incentives for the System shall have been timely secured and received by Provider;
  - iv. Sitework at the Premises shall not be required to complete the Installation Services unless such Sitework is reflected on **Exhibit 1B** as of the Effective Date; and
  - v. Customer has not provided inaccurate or incomplete information concerning the Premises or made requests for changes to the System or the location of the System or related facilities on the Premises that, in either case, increase the cost to Provider to perform Installation Services or extend the schedule for performance of

Installation Services.

The “**Interconnection Cost**” means the total cost payable by Provider, after any make-ready or similar interconnection-related Existing Incentive, to connect the System to an on-Premises connection point and to interconnect from that point to the local electric utility system, including fees and reimbursements payable to the local electric utility, and the cost of electrical equipment, materials, and labor. An “**Approval**” means each permit, license, approval, authorization, service agreement, or similar permission or agreement from a Governmental Authority (defined below) or utility that is required pursuant to applicable law, applicable code (including building, electrical, or similar), or in the reasonable judgment of the Provider to install, interconnect, start-up, or operate the System at the Premises. A “**Governmental Authority**” means a federal, state, or local government authority, agency, department, commission, board, instrumentality, official, court, or tribunal that has jurisdiction over the relevant subject matter.

- b. Contract Price Exclusions. Unless otherwise identified in the Scope of Services, the Contract Price excludes the following:
  - i. Performance bond or other surety;
  - ii. Work at the Premises (asphalt repair, landscaping, lighting, species management) beyond the work contemplated by the System Site Plan, as a condition to an Approval or otherwise;
  - iii. Work at the Premises that is outside of the scope of the System Site Plan (e.g., installation of an information kiosk);
  - iv. Exclusions identified in the System specifications in **Exhibit 1B** to the Scope of Services.

5. **Taxes; Hyperinflation.**

- a. Taxes.
  - i. *Customer’s Taxes*. Customer is responsible for (1) any real property taxes on the Premises or Customer’s property thereon; (2) personal property or excise taxes on the Vehicles; and (3) state or local sales, use, or similar taxes (collectively, “**Sales Taxes**”), if any, imposed with respect to the provision of any Services (including any Services relating to provision of any System component) (collectively, “**Customer Taxes**”).
  - ii. *Provider’s Taxes*. Provider is responsible for any income taxes or similar taxes imposed on Provider’s receipt of income with respect to any Contract Price payment under this Agreement (“**Provider’s Taxes**”) and, if required by applicable law, for collection from Customer and remittance to the applicable taxing authority of Sales Taxes payable with respect to the Services under this Agreement.
  - iii. *Tax Cooperation*. Both Parties shall use reasonable efforts to administer this Agreement and implement its provisions so as to minimize the taxes, including Sales Taxes, payable by the Parties.
- b. Hyperinflation. If general inflation for any Contract Year, as measured by the 12-month change in the Consumer Price Index All Urban Consumers, West Region, exceeds 6%, then the Annual Escalator for the next Contract Year shall be increased in accordance with the following formula:

$$EI (\%) = (CPI-CY(\%) - [6]\%)$$

EI (%): Percentage Increase in Annual Escalator applied to succeeding Contract Year  
 CPI-CY (%): Actual CPI (nearest metro) change over Contract Year or nearest possible measurement period.

6. **System and Platform; Future Electrification.**

- a. System Specifications and Warranties. The System and related specifications (or preliminary specifications) for the Vehicles and Chargers are set forth in the Scope of Services. No later than sixty (60) days after the Provider issues a purchase order for Chargers, Provider will provide to Customer the final dealer/manufacturer issued specifications and a copy of any applicable warranty (each, an “**OEM Warranty**”). Unless otherwise identified in the Scope of Services, the major System components provided by Provider will be new and unused as of the applicable Operational Date. Each Charger will be manufactured by a Provider pre-qualified manufacturer, will have the operating functionality and capacity to perform the Services, and will conform to the specifications therefor set forth on the preliminary System Site Plan, subject to **Section 6(b)**.

- b. Change to System. The System specifications may be updated by written agreement of Provider and Customer prior to the purchase of Vehicles. Prior to the Operational Date, with Customer's prior consent, which consent shall not be unreasonably withheld or delayed, Provider may determine to deploy and may procure, install, and ready for deployment chargers and infrastructure, other than the Chargers and Infrastructure included on the preliminary System Site Plan. Customer shall not withhold its consent pursuant to the preceding sentence to the extent (i) Provider demonstrates functional equivalency between initially specified Chargers or Infrastructure and the replacement chargers or infrastructure; (ii) the replacement chargers or infrastructure are required by the local utility or applicable law, or (iii) the replacement chargers and infrastructure are required pursuant to the terms of any Existing Incentive or other Incentive. Once Customer consent is secured consistent with the previous sentence, the replacement chargers or infrastructure will be Chargers or Infrastructure under this Agreement. If, after the Operational Date, Provider determines that any Chargers, or Infrastructure are not performing to expectations, Provider reserves the right to swap such Chargers or Infrastructure with replacement equipment of similar specifications.
- c. Platform License; Intellectual Property.
- i. *Intellectual Property.* As between Provider and Customer, Provider retains and reserves all right, title, and interest in and to the Platform. No rights are granted to Customer in the Platform hereunder except as expressly set forth in this Agreement.
  - ii. *Grant of License in Platform.* Provider hereby grants to Customer a royalty-free, non-assignable, non-transferable, and non-exclusive license for Customer's personnel, commencing the Operational Date and for the balance the Term, to access and use the Platform as made available by Provider to Customer solely to the extent necessary for Customer to access, use, and receive the Services and perform its transportation operations as permitted herein.
  - iii. *Data.* Data generated by the Platform regarding the operational state of and performance of System and Vehicle use shall be the property of Provider. However, data specific to any Vehicle may only be published by Provider on an anonymized basis. Data regarding use of any Vehicle shall be made available to Customer, and is hereby licensed to, Customer to on a non-exclusive, worldwide, royalty-free basis, and may be used by Customer in connection with its transportation services including, without limitation, responding to public records requests.
  - iv. *Use Limitations.* Customer shall not, and shall not permit any users accessing the Platform by, for, or through, Customer to: (i) copy, modify, or create derivative works of the Platform; (ii) rent, lease, lend, sell, license, sublicense, assign, distribute, publish, transfer, or otherwise make available the Platform; (iii) reverse engineer, disassemble, decompile, decode, adapt, or otherwise attempt to derive or gain access to any software component or source code or algorithms of the Platform; (iv) circumvent security measures in the Platform; or (v) remove any proprietary notices from the Platform.
- d. Provider Use of System. Customer acknowledges that Provider has the right to operate the System outside of the Vehicle Operating Period and that such rights support Provider's ability to offer the Services at a reasonable price to Customer by generating third party revenues, tax benefits, and savings for Provider. Subject in all cases to its obligations to provide the Services to Customer, Provider may use the System to, among other things, provide services to third parties as described below. Except as set forth below or in any subsequent agreement between Provider and Customer concerning third-party services, all expenses, profits, risks, and liabilities associated with such activities shall be borne entirely by Provider, including but not limited risk of damage and degradation to the System and associated insurance and operational costs. In pursuit of Provider's rights under this Section 6(d), Provider will not allow third parties to access or use the System located upon the Premises or to enter upon the Premises without the prior express, written consent of Customer, which will not be withheld or delayed unreasonably.
- i. *Highland Network Charging.* Customer may elect to participate in a municipal or regional charger sharing program operated by Provider and its affiliates that makes available chargers owned or otherwise available to Provider and its affiliates for charging vehicles utilized by or for Governmental Authorities, including school districts, located in the municipality or region. By electing to participate in such a program, Customer would agree to make certain Chargers and parking bays available to other network participants upon prior notice and, likewise, could utilize the chargers of other network participants.
  - ii. *Use of Chargers During VOP.* Subject to the establishment of mutually agreeable terms, including operating parameters, signage, and pricing arrangements, during the Term and during the Vehicle Operating Period only, Customer may use the Chargers to charge electric vehicles, other than the Vehicles.

- iii. *Air Quality Analysis.* Provider may, with prior written permission of Customer, install one or more air quality monitor systems on the Vehicles (or on other Provider owned or controlled property or equipment) to gather air quality data within the Vehicle service area. Upon request of Customer, Provider shall make summary reports of such gathered data available to Customer at no cost to Customer.
- iv. *Use of Platform.* Throughout the Term, the Provider shall have access to the Platform and, without limitation, will use the Platform to access and analyze Vehicle and Charger operational data, Vehicle state of charge, faults, maintenance status, Vehicle location (GPS), Vehicle speed, and Charger electricity use.

e. Future Fleet Electrifications.

- i. *Customer Notice.* During the Term and prior to undertaking any Fleet Electrification, Customer will deliver written notice to Provider of Customer's determination to proceed with any Fleet Electrification, and, following delivery of such notice, Customer will afford Provider a reasonable opportunity to participate in any competitive solicitation or other contracting process undertaken by Customer with respect to such Fleet Electrification so long as Provider is not a Defaulting Party (defined below).
- ii. *Customer Procurement Process.* The Customer is free to choose any method of acquisition and implementation of any Fleet Electrification, including but not limited to a competitive procurement process, cooperative procurement process, or single or sole source procurement process, consistent with applicable Requirements. The performance of this Agreement, will not bar Provider (or any Provider affiliate) from becoming the provider to the Customer of such Fleet Electrification, including but not limited to Provider competing or participating in any Customer procurement process to select a provider for such Fleet Electrification. Further, to the extent the performance of this Agreement by Provider or any compliance or performance by Customer under this Agreement would violate any Requirement or bar Provider from competing or participating in any Customer process to select a provider for any Fleet Electrification, such performance by Provider or such compliance or performance by Customer hereby is waived and excused by the other Party.
- iii. *Fleet Electrification.* A "**Fleet Electrification**" means any project or undertaking, in addition to the deployment of the System and license of the Platform underlying the Services contemplated by this Agreement, that: (i) will result in the replacement of any of Customer's fleet from non-electric vehicles to electric vehicles, (ii) will result in the addition of any electric vehicle to Customer's fleet, or (iii) will revise, upgrade, or enhance the charging or vehicle management systems of Customer. A Fleet Electrification may include, without limitation, procurement or provision of electric vehicles for transportation, installation of charging stations or vehicle charging system(s), or procurement of Internet-based or other software applications to manage Customer's electric vehicles.
- iv. *Requirement.* As used in this Section, a "**Requirement**" means: (i) applicable law, (ii) any requirement, compliance with which is a condition to securing any available Incentive for the applicable Fleet Electrification, or (iii) a requirement imposed by a Governmental Authority or other entity or association having jurisdiction over Customer that must be complied with to enable Customer to secure funding for, or to enable either Party to secure a required Approval for, a proposed Fleet Electrification. Without limitation, "Requirement" includes the provisions of any trade agreement or treaty that is applicable to Customer.

7. Operational Date; Extension Terms.

- a. Operational Date Certificate. When Provider determines the Operational Date for the System has been achieved, Provider will deliver to Customer a certificate in the form of **Exhibit 2A**. Customer will timely acknowledge and return to Provider the certificate, unless Customer can establish that the System is not substantially delivered, installed, and operational at the Premises as of the Operational Date set forth in such certificate. Such certificate in the form of **Exhibit 2A**, as executed by Provider and Customer, is referred to as the "**Certificate of Commercial Operation.**" The "**Operational Date**" for the System is the date specified in the agreed Certificate of Commercial Operation. Subject to permitted extensions under **Section 7(b)**, Provider shall achieve the Operational Date for the System on or before the Anticipated Operational Date set forth in the Scope of Services. Provider may provide Customer access to and use of portions of the System (Chargers sufficient to charge the Vehicles) before or after the agreed Operational Date, in rolling format, and, in such case, the Parties may agree on, and reflect in the Certificate of Commercial

Operation, an Operational Date for the System that is the date many but not all System elements are first operational.

- b. Extension of Anticipated Operational Date. If the Operational Date for the System is delayed beyond the Anticipated Operational Date due to a Force Majeure Event (defined below), a delay by the local utility in providing utility service or interconnection for the System (including a delay in completing utility interconnection work), a delay caused by unexpected site conditions at the Premises, a delay due to Customer-requested changes to the System Site Plan, a delay in award or payment of any Existing Incentive, a delay in securing any required Approval, or a delay caused by the vendor or OEM of any major component of the System to be provided, the Anticipated Operational Date and the time for achievement of the Operational Date for the System will be automatically extended on a day-for-day basis for the period commencing the initial occurrence of such delay event through the end of such delay event, without liability of either Party to the other Party.
- c. Termination for Delay in Operational Date Achievement. If the Operational Date for the System has not occurred within at least one hundred eighty (180) days after the Anticipated Operational Date, as extended pursuant to **Section 7(b)**, either Party may terminate this Agreement by providing thirty (30) days' prior written notice to the other Party; provided, that such termination shall be revoked if the Operational Date for the System occurs on or before the end of such thirty (30) day notice period.
- d. Extension Term(s). Not less than twelve (12) months prior to the end of the Initial Term, Customer may, by written notice to Provider, request to extend the Term for any Extension Term if identified in the Scope of Services on the same terms and conditions; provided, however, that if the Contract Price is uneconomic for Provider with respect to the Extension Term, then Provider may provide a written notice to Customer prior to the commencement of the Extension Term. Upon delivery of such notice by Provider, the Parties shall negotiate an adjusted Contract Price that provides significant value to Customer while preserving for Provider a reasonable profit margin. If no notice is provided, or the Parties are unable to agree to an adjusted Contract Price by the commencement of the noticed Extension Term, then this Agreement shall expire on the last day of the Initial Term.

## 8. Incentives

- a. Incentives Generally. Except as may be provided in the Scope of Services, as owner of the System, Provider is entitled to the benefit of, and will retain all ownership interests in Tax Attributes (defined below) and Incentives, including Existing Incentives enumerated in the Agreement including, without limitation, the Scope of Services. Subject to any Incentive allocation in the Scope of Services, Customer shall (i) cooperate with Provider in obtaining, securing, and transferring to Provider or its designee any and all Incentives, (ii) not make any filing or statements inconsistent with Provider's ownership interests in the Incentives or Tax Attributes, and (iii) as required by this Agreement, immediately pay or deliver to Provider any Incentives or Tax Attributes that are, directly or indirectly, paid to, delivered to, or otherwise realized by Customer. The following capitalized terms shall have the meanings set forth below:
  - i. An "**Incentive**" means (i) a payment (such as a rebate or grant, but excluding any "make ready" funding") paid by a utility, regional grid operator, or governmental authority based in whole or in part on the cost, size, or operation of the System or any portion thereof, (ii) "make ready" or similar interconnection related funding, payment, or rebate provided by a utility with respect to the System or its interconnection or operation, and (iii) a performance-based credit or payment, based on the production, operation, or capacity of the System or any portion thereof; an "Incentive" includes any Existing Incentive.
  - ii. "**Tax Attributes**" means (i) any federal or state investment tax credit, production tax credit, or similar tax credit, grant, or benefit, including those credits (or direct pay benefits) under Section 30C of the federal tax code, or other tax benefits under federal, state, or local law with respect to the upfront costs or operation of the System, and (ii) depreciation including any bonus or accelerated depreciation with respect to the System.

## 9. Vehicle and System Operation

- a. Customer Vehicle Operating Parameters. Commencing the Operational Date for a Vehicle and throughout the balance of the Term, Customer will:
  - i. operate the Vehicle only: (A) during the Vehicle Operation Period on Designated Routes (defined below) and for Planned Excursions; (B) as necessary to perform Repair Work; and (C) in accordance with Prudent Vehicle Practices;
  - ii. not directly or indirectly, modify, repair, move, or otherwise tamper with the Vehicle in any manner, except as necessary to perform Repair Work consistent with this Agreement;

- iii. be responsible for (A) ensuring that appropriately trained Customer employees properly plug and unplug the Vehicles from the Chargers when not in use by Customer as permitted under this provision; and (B) restricting access of third parties, passengers, and other unauthorized personnel to the System, except as contemplated by this Agreement;
  - iv. at its own expense (subject to Provider reimbursement obligations for Vehicle Repair Work, including Annual Vehicle Work), keep each Vehicle properly registered and licensed in Customer's name;
  - v. at its own expense, keep each Vehicle insured in accordance with applicable law and this Agreement;
  - vi. ensure the Vehicle is driven only by properly licensed and trained personnel (each, a "Driver");
  - vii. be responsible for the safe loading, supervision, and transportation of passengers with respect to Vehicles;
  - viii. not operate the Vehicle outside of the Distance Limitation;
  - ix. use reasonable efforts, in collaboration with Provider, to support charge management, including moving a Vehicle to plug into an in service Charger port, including a Redundant Port; and
  - x. not permit any person, except Drivers or authorized agents of Customer, to access or use the Chargers or Infrastructure, except as necessary to enable Customer to perform under this Agreement or except in the case of an emergency at the Premises.
- b. Designated Routes. Prior to the Anticipated Operational Date, Customer may consult with Provider about, and will deliver to Provider a written notice identifying, the regular route and schedule for each Vehicle (each a "**Designated Route**") based on which Customer will operate the Vehicle during the Regular Operating Session, which Designated Route will be consistent with System specifications and the Vehicle operating requirements and restrictions in this Agreement. From time to time during the Term, Customer may revise the Designated Route for any Vehicle, so long as the revised Designated Route is consistent with the System specifications and the Vehicle operating requirements and restrictions in this Agreement; and Customer will notify Provider and may consult with Provider about any such change.
- c. Planned Excursions. A "**Planned Excursion**" means operation of a Vehicle by Customer outside of the Regular Operating Session for such Vehicle (i) if the operation is a single trip out from and back to the Premises; (ii) if the trip is for transportation of passengers and Customer personnel related to extraordinary activities, (iii) so long as: (x) Customer provides Provider with at least forty-eight (48) hours' advance written notice of such planned Vehicle use, identifying total anticipated mileage, time of day, and day of week details, (y) the miles to be covered by the Vehicle for the trip plus the estimated mileage of the Vehicle attributable to the Regular Operating Sessions in the Contract Year in which the trip is to occur do not exceed the Vehicle's Annual Mileage Allowance; and (z) both the timing and mileage of the proposed trip allow for sufficient Vehicle charging before or following the Vehicle's Regular Operating Session that preceded the proposed trip.
- d. Prudent Vehicle Practices. "**Prudent Vehicle Practices**" means those practices and processes in connection with Vehicle charging, operation, and repair that: (i) are consistent with both applicable heavy-duty vehicle or school bus industry and electric vehicle industry best practices, (ii) comply with applicable OEM recommendations and OEM requirements, to the extent provided to Customer by Provider or the OEM, its dealer, or agent; (iii) conform to the requirements or guidelines necessary to preserve the efficacy or availability of any applicable OEM Warranty provided to Customer by Provider hereunder; and (iv) comply with all applicable federal, state, and local laws and requirements.
10. Maintenance.
- a. System Maintenance Generally. Provider is responsible for all operation and maintenance, and related costs, for the Infrastructure and Chargers. Subject to Provider's reimbursement obligations for Repair Work, Customer is responsible for all inspection, maintenance, and repair of the Vehicles in accordance with this Agreement.
  - b. Vehicle Maintenance and Reimbursement.
    - i. *Reimbursable Repair Work*. Subject to Provider's obligations and rights with respect to Vehicle repairs, as provided in this Agreement, Customer shall perform or cause to be performed by a qualified third party, all inspections, maintenance, and repairs of each Vehicle consistent with the requirements of this Agreement ("**Repair Work**"). Customer shall self-perform all Repair Work, except those items which require specialized training or service at a third-party facility, such as for repairs to the battery and drivetrain systems. Repair Work shall be performed in accordance with applicable Prudent Vehicle Practices. For the avoidance of doubt, Customer assumes all responsibility for the operation of each Vehicle before, during and after any

- Repair Work for such Vehicle.
- ii. *OEM Warranty.* If any OEM Warranty applies to or would cover any Repair Work subject to reimbursement under this Agreement, then to the extent necessary in Provider's discretion, Provider may enforce rights under the applicable OEM Warranty for the purpose of securing OEM coverage of the applicable Repair Work under such OEM Warranty. Provider shall have the sole right to pursue any claims under OEM Warranties and such other such warranties as may apply to the Vehicles. To the extent any Repair Work is covered by an OEM Warranty, Customer shall perform or shall cause to be performed, such Repair Work consistent with the requirements applicable to the relevant OEM Warranty.
  - iii. *Towing.* To the extent that, other than due to Customer-caused damage, as required by Prudent Vehicle Practices, any Vehicle must be towed to the Premises or to the location of a third-party Vehicle repair service provider, if the Customer is not capable (under Prudent Vehicle Practices) to perform the required repairs, then Provider shall pay for, or shall reimburse Customer for, the cost of such tow, subject to the Towing Cap. Customer shall be responsible for arranging and paying for any Vehicle tow required due to Customer-caused damage or due to Customer's failure to operate the Vehicle or any other System component as required by this Agreement.
  - iv. *Annual Vehicle Work.* Each Contract Year during the Term, as part of its obligation to perform Repair Work for Vehicles, Customer shall submit each Vehicle for Inspections (defined below) and shall perform such minor maintenance and repairs on such Vehicle as set forth on **Exhibit 1A** to the Scope of Services and as otherwise may be required to enable such Vehicle to successfully pass or satisfy all applicable Inspection criteria. "**Inspections**" means such inspections required by Prudent Vehicle Practices to maintain Vehicle operability. Any regular Vehicle maintenance and repairs required to satisfy inspection requirements shall be included in Annual Vehicle Work. Upon satisfactorily passing any Inspection, Customer will deliver to Provider documentary proof thereof.
  - v. *Standard Repair Time.* From time to time during the Term, Provider may deliver to Customer a written listing of standard repair times ("**SRT**") for standard Repair Work based on OEM recommendations, Prudent Vehicle Practices, or Provider's demonstrated experience with such repairs, and Customer shall use reasonable efforts to perform Repair Work consistent with the applicable SRT.
  - vi. *Reporting.* No later than the fifteenth day of any calendar month after the Operational Date, Customer will deliver to Provider a written report, in form mutually agreed by Customer and Provider, detailing the Repair Work performed by or at the request of Customer for which Customer seeks reimbursement under this Agreement or for Customer-Caused Repairs (defined below), including the nature or cause of the Repair Work, the date(s) the Repair Work was performed, the number of labor hours expended on such Repair Work, the person(s) performing the Repair Work, the parts procured and used to perform the Repair Work, and the documented cost of such parts. The Customer agrees to provide Provider with access to maintenance records, labor time, and required parts receipts and specifications for each Vehicle and to collaborate with Provider with respect to the timing, location, and substance of Repair Work. Each Repair Work report provided by Customer shall include detail about Repair Work performed in the period agreed by Customer and Provider, which is a trailing 90-day period, or such other period as agreed to enable capture of all relevant data, include OEM Warranty data.
  - vii. *Reimbursement.* Based on timely completion of monthly Repair Work reporting by Customer, Provider shall reimburse Customer for Repair Work and parts performed by, or paid for by, Customer during the Term of, and consistent with, this Agreement. Provider shall have no obligation to reimburse Customer for Customer-Caused Repairs or for labor hours for Repair Work in excess of the applicable SRT. Further, Provider may delay reimbursement of any Repair Work until all relevant data, including OEM Warranty data and clarification as to whether the work covered by the report is a Customer-Caused Repair, is provided by Customer. To the extent an OEM pays for Repair Work, including parts, under an OEM Warranty, including through paying or reimbursing Customer for such Repair Work or by paying a third-party service provider for the Repair Work, then Provider shall have no obligation to reimburse the Customer for such Repair Work. Required reimbursement payments by Provider for parts shall be at the lowest of: the Customer's cost for the part, the applicable manufacturer suggested retail price for the part, or, the price for the part reasonably available from Provider or a Provider-designated supplier.
  - viii. *Adjustment.* No more than once per Contract Year a Party may request review of Repair Work and the applicable reimbursement rate under this Agreement. During the thirty (30)-day period following delivery of such a request by one Party to the other, Provider and Customer will engage in good faith review and negotiation of the applicable reimbursement rate in light of then applicable Prudent Vehicle Practices and industry standards for Vehicle Repair Work and may agree to adjust the reimbursement rate under this

Agreement and, as applicable, the Contract Price to reflect any upward or downward adjustment to the reimbursement rate.

- c. Vehicle Maintenance Consulting. As part of its Operations Services, and at no additional cost to Customer, Provider will support Customer’s maintenance of the Vehicles as described below.
  - i. *Major Maintenance Consulting*. Prior to undertaking or arranging for major maintenance or repairs for a Vehicle (meaning maintenance or repairs for a Vehicle out of the ordinary course of preventative maintenance and standard vehicle upkeep or having a cost per Vehicle exceeding \$1,000, either per service or cumulatively for all services within a period of 90 or fewer days), Customer shall provide reasonable notice to Provider via email of such proposed maintenance or repairs and the reason(s) therefor. Customer will confer with Provider regarding any anticipated service for major maintenance or repairs for a Vehicle. Provider will respond via email within three (3) business days if there are concerns regarding such anticipated major maintenance or repairs.
  - ii. *Parts and Warranty Management Strategy*. Provider shall advise Customer regarding broader electric fleet management, maintenance, and repair strategy, and coordinate maintenance, repair, and related service escalations with Customer’s third-party servicers, including by communicating with Customer regarding Vehicle condition, performance, and maintenance detection, evaluating part needs and recommending inventory stocking levels, and enforcing proper warranty claim work through dealer and Vehicle OEM communications, including direct communications with such third parties as an agent of Customer
  - iii. *Preventive Maintenance*. Provider may advise Customer to perform additional preventative maintenance on a Vehicle or adopt procedures under a comprehensive maintenance manual (which shall include existing OEM standards). If adopted, Provider shall be responsible for costs associated with such additional preventative maintenance as Repair Work hereunder.
  - iv. *Reliability and Mitigation of Service*. Provider will coordinate with Customer as needed to cause Vehicle Repair Work to be conducted in a manner to minimize any interruption in service to Customer, including by facilitating Vehicle Repair Work outside of the Vehicle Operating Period to the extent commercially practicable.
- d. Maintenance of Chargers and Infrastructure. Provider shall be responsible for scheduling, coordinating, and paying the costs of any maintenance of each component of any Charger, as recommended by the vendor and manufacturer of such component, and of related Infrastructure (“**Charger Maintenance and Repairs**”), as needed for the operation of the Chargers to provide Services; provided, that Provider shall use commercially reasonable efforts to (i) minimize any interruption in Services, and (ii) limit any suspension of Services due to Charger Maintenance and Repairs to non-VOP hours. Scheduled and unscheduled Charger Maintenance and Repairs shall be undertaken at Provider’s sole cost and expense, except that Customer shall reimburse Provider for the reasonable cost of any maintenance or repairs resulting from damage caused by Customer, its agents, employees, or contractors.
- e. Customer-Caused Repairs. Customer shall bear the cost of any service, inspection, or repairs for a Vehicle (collectively, “**Customer-Caused Repairs**”) resulting from (i) damage to a Vehicle or the System caused by Customer, its agents, employees, contractors, Drivers, or passengers, (ii) Customer’s use of the any Vehicle, or any other action or inaction of the Customer, that voids the OEM Warranty for such Vehicle or is outside of the Prudent Vehicle Practices, or (iii) Customer’s failure to perform or cause to be performed any Repair Work in accordance with this Agreement. Customer shall also be responsible for ensuring that a properly trained Customer employee or contractor performs all Repair Work and Customer-Caused Repairs completed by or for Customer. A Customer-Caused Repair specifically excludes any Repair Work necessitated due to damage caused to a Vehicle as a result of following Provider’s guidance or instructions with respect to such Repair Work.

## 11. Premises.

- a. System Site Plan. To achieve System efficiencies, to respond to the requirements of the applicable local utility or Governmental Authority, or to respond to the reasonable requests of Customer for changes to the preliminary System Site Plan attached as **Exhibit 1B** to the Scope of Services, Provider may propose adjustments to the design, equipment, or layout of the System at the Premises or any on-site installation schedule so that the preliminary System Site Plan attached as **Exhibit 1B** is no longer materially accurate. Prior to implementing any such change, Provider shall deliver to Customer an updated plan for the System at the Premises. Customer shall have ten (10) days after receipt of any design update, which may be in any form mutually acceptable to the Parties, including a change order, to (i) approve

or disapprove such updated design and (ii) notify Provider of any site conditions or technical, electrical, or structural impediments known to Customer which could reasonably be anticipated to prevent, delay or add cost to the System installation. Customer's failure to respond within such ten (10) day period shall be deemed approval of, and agreement to, such updated System design. If Customer disapproves an updated design of the System at the Premises, Provider shall use commercially reasonable efforts to modify the design and resubmit it for Customer's approval. Any updated System design at the Premises that is agreed by Customer and Provider shall be deemed the "**System Site Plan**" hereunder and shall replace and supersede any prior System Site Plan. If any design modifications requested by Customer render the System or any component thereof non-viable or require additional expense by Provider, in Provider's reasonable judgment, Provider may terminate this Agreement by providing thirty (30) days' prior written notice to Customer, in which case neither Party shall be liable for any damages in connection with such termination. Provider may, at its discretion, upon written notice to Customer add additional Chargers and Infrastructure at the Premises within the area(s) on the System Site Plan designated for stationary System equipment, at no additional cost to Customer. Provider shall have no obligation to obtain Customer approval of immaterial changes to the System Site Plan; provided, that within thirty (30) days after completion of all Installation Services, Provider will deliver to Customer a final, as-built System Site Plan, reflecting the as-installed System with all such immaterial changes. Changes to the System Site Plan may be made by change order or any other form acceptable to the Parties, so long as such changes to the System Site Plan are specified and acknowledged in writing by the Parties. However, immaterial changes to the System Site Plan made by Provider need only be reflected on the as-installed System Site Plan delivered by Provider to Customer.

- b. Access Rights. Customer represents and warrants that, as of the Effective Date, Customer occupies, uses, and controls the Premises (through fee title ownership, easement rights, lease, or similar) and Customer represents that, throughout the Term, Customer will control, use, and occupy the Premises in in substantially the same manner as Customer's use and occupancy as of the Effective Date. Customer, as owner of a Premises, or with full permission from the owner of the Premises, if other than Customer (the "**Landowner**"), hereby grants to Provider and to Provider's agents, employees, contractors, subcontractors, and the utility serving the Premises a non-exclusive, royalty free, license (the "**Non-Exclusive License**") for access to, on, over, under and across such Premises from the Effective Date until the date that is ninety (90) days following the date of expiration or earlier termination of the Term (the "**License Term**"), for the purposes of performing the Services and all of Provider's obligations and enforcing all of Provider's rights set forth in this Agreement and otherwise as required by Provider in order to effectuate the purposes of this Agreement, including performing due diligence of the Premises. In addition, Customer, as the owner of the Premises, or with full permission from the Landowner, hereby grants to Provider an exclusive, sub-licensable license during the License Term (the "**Exclusive License**," and together with the above Non-Exclusive License, the "**Licenses**") for the sole purposes of installation, operation, use, repair, and removal of the Chargers and Infrastructure on or from the Premises. To the extent Customer does not own the Premises, Customer will use commercially reasonable efforts to secure from the Landowner of such Premises, written consent to the Licenses and contemplated uses associated with the Licenses prior to the initiation of Installation Services at the Premises consistent with this Agreement. In connection with the access rights under the Licenses, and to ensure prompt performance of repairs, emergency response, and to mitigate risk of property losses associated with the System, Customer shall provide to Provider and its agents 24/7 access to each Premises (including provision of keys or gate pass codes).

## 12. Ownership and Risk of Loss; Liens.

- a. Ownership of System; Risk of Loss. As between Provider and Customer, Provider (including, for this purpose, a Provider affiliate or Financing Party) shall be the legal and beneficial owner of the System, and the System will remain the personal property of Provider (or its affiliate or Financing Party) and no part of the System will attach to or be deemed a part of, or fixture to, the Premises. Risk of loss of the System, including Chargers and Infrastructure shall be borne by Provider. Customer shall bear the risk of loss and liability associated with owning and driving of the Vehicles by Customer, including for the acts or failures of its Drivers (and any chaperones or assistants under control of Customer) and passengers.
- b. Notice to Customer Lienholders; Liens. Customer shall use commercially reasonable efforts to place all parties having a lien on the Premises or any improvement on which any part of the System is installed on notice of the ownership of the System and the legal status or classification of the System as personal property. If any mortgage or fixture filing against the Premises could reasonably be construed as prospectively attaching to the System as a fixture of such Premises, Customer shall provide a disclaimer or release from such lienholder in a form acceptable to Provider. Customer shall

not directly or indirectly (including through any affiliate of Customer) cause, create, incur, assume, or allow to exist any mortgage, pledge, lien, charge, security interest, encumbrance or other claim of any nature, except such encumbrances as may be required to allow Provider access to the Premises on or with respect to the any components of any System.

- c. Fixture Disclaimer. If Customer is the fee owner of the Premises under this Agreement, Customer consents to the filing of a disclaimer of the System as a fixture of the Premises in the office where real estate records are customarily filed in the jurisdiction where such Premises are located. If Customer is not the fee owner of any Premises, Customer shall use commercially reasonable efforts to obtain consent from the applicable Landowner to file a fixture disclaimer. For the avoidance of doubt, Provider has the right to file such disclaimer.
- d. UCC Filing. The System will at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code of the jurisdiction identified by this Agreement as the source of governing law (“UCC”). Customer authorizes Provider or any Financing Party (defined below) to file a precautionary UCC financing statements and other similar filings and recordings with respect to any System component. Customer agrees not to file any corrective or termination statements or partial releases with respect to any such UCC financing statements or other similar filings or recordings filed by Provider in connection with a System component, except (i) if Provider fails to file a corrective or termination statement or release on request from Customer after the expiration or earlier termination of the Agreement, or (ii) with Provider’s consent.

**13. Insurance.** During the Term, the Parties shall comply with the insurance provisions below. The Parties recognize and agree that references to insurance being maintained “on behalf” of the Customer includes, but is not limited to, situations where KWRL maintains insurance coverage, such as on the Vehicles.

- a. Insurance – Customer. Customer shall maintain or ensure the following is maintained (i) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 general aggregate; (ii) automobile liability insurance and physical damage covering all Vehicles with coverage of at least \$1,000,000 combined single limit per occurrence and \$2,000,000 general aggregate, including comprehensive (for Vehicle while parked) and collision coverage on a replacement cost basis; (iii) umbrella form excess liability insurance in excess of the limits provided by the commercial general liability and automobile policies with limits of at least \$5,000,000 per occurrence; (iv) employer’s liability insurance with coverage of at least \$1,000,000; and (v) workers’ compensation insurance as required by law. Provider, its parent, its subsidiaries, and its affiliates shall be named as a loss payee on Customer’s property insurance policy and as additional insureds on all other insurance required by this **Section 13**, other than employer liability and workers compensation insurance. Each of the foregoing Customer insurance policies shall include a waiver of subrogation in favor of Provider, its parent, its subsidiaries, and its affiliates. Customer shall assure that each Driver is covered under the Customer’s liability and employer/ workers compensation insurance policies.
- b. State Minimum Coverage. If at any time the minimum financial responsibility applicable to Customer as operator of the Vehicles, whether imposed by applicable law or by Governmental Authority, exceed the Customer insurance minimums stated in this Agreement, Customer must obtain and maintain the insurance at such higher, required levels.
- c. Insurance – Provider. Provider shall maintain (or have maintained on its behalf) the following insurance policies, covering the activities of Provider under this Agreement: (i) property insurance for the Infrastructure, and the Chargers; (ii) commercial general liability insurance with coverage of at least \$1,000,000 combined single limit per occurrence and \$2,000,000 annual aggregate; (iii) umbrella form excess liability insurance in excess of the limits provided by the commercial general liability policy with limits of at least \$5,000,000 per occurrence and annual aggregate; (iv) employer’s liability insurance with coverage of at least \$1,000,000; and (v) workers’ compensation insurance as required by law. Provider’s insurance will not be called upon to respond to or cover Customer’s negligence or willful misconduct.
- d. Additional Requirements of Customer and Provider. All liability insurance and property insurance maintained by a Party as required by this Agreement shall name the other Party (or, upon request, its applicable financing party or other designee) as an additional insured, and, with respect to property insurance, as loss-payee. All liability insurance and property insurance policies required to be maintained by a Party (each, an “Insured”) under this Agreement: (i) shall be issued by a company with an A.M. Best rating of not less than A:VIII; (ii) shall not be cancelled, changed, or

modified until after the insurer or the Insured has given to the other Party (“**Beneficiary**”) at least thirty (30) days’ prior written notice of such proposed cancellation, change, or modification; (iii) no act or default of the Customer, as Insured, or any other person or entity shall affect the right of the Provider, as Beneficiary, or its successors or assigns to recover under such policy or policies of insurance in the event of any loss of or damage to any Vehicle; and (iii) the coverage under each such policy is "primary coverage" for the protection of Customer and Provider and their respective successors and assigns, notwithstanding any other coverage carried by Customer or Provider or any of their respective successors or assigns protecting against similar risks. As soon as possible after the Effective Date, and thereafter, upon request of the other Party, each Party shall provide the other Party a certificate or other reasonable evidence of the insurance required to be maintained by such Party under this Agreement. Customer, its Drivers, and its agents will cooperate with Provider and any of Customer’s or Provider’s insurance carriers in the investigation, defense, and prosecution of all claims or suits arising from the use or operation of any Vehicle. If any claim is made or any action is commenced for death, personal injury, or property damage resulting from the ownership, maintenance, use or operation of any Vehicle; each Party will promptly notify the other Party of such action or claim and will forward to the other Party a copy of every demand, notice, summons, or other process received in connection with such claim or action.

e. Damage to or Destruction of System.

- i. *Notice and Inspection.* Customer shall notify Provider immediately of any insurable or potentially insurable claims affecting the System of which Customer becomes aware, including any evidence of malfunction, damage, or destruction. Upon such notice, Provider may enter the Premises and access the System to inspect the Vehicles, the Chargers, or any Infrastructure, as applicable.
- ii. *Substantial Damage; Destruction.* If the System is substantially damaged or destroyed, other than due to a Default Event (defined below) by Provider, Provider will have the right, exercisable upon written notice to Customer, to terminate this Agreement or to repair and restore the System and, if applicable, receive from Customer the proceeds of any insurance maintained by Customer that cover the loss relating to such damage or destruction of the System. If Provider elects to repair and restore the System (or portion thereof), the Parties will work in good faith to promptly agree on a scope of work and schedule for repair and restoration work and, as applicable, and adjustments to the Term and Contract Price.
- iii. *Use of Insurance Proceeds.* Subject to clause (ii), above, insurance proceeds shall be applied to prompt repair, restoration or replacement of the applicable System components. Each Party shall be responsible for any insurance deductibles, except in the case of claims resulting from the other Party’s negligence or breach of this Agreement, in which case such other Party shall be responsible for payment of the insured Party’s deductible for any responding insurance. In the event such proceeds are insufficient to accomplish such repair, restoration or replacement due to Customer’s failure to comply with the terms of the applicable insurance policies or with this Agreement, Customer shall be financially responsible for any additional funds required to complete the necessary work.

14. Miscellaneous Obligations and Representations Concerning the Premises.

- a. Safety Requirements. Provider and its employees, agents and contractors shall comply with Customer’s site safety and security requirements provided to Provider by Customer when on the Premises during the License Term. During the License Term, Customer shall, and shall cause the Landowner, if different, to preserve and protect Provider’s rights under the Licenses and Provider’s access to Premises, and shall not interfere, or permit any third parties under Customer’s control to interfere with such rights or access. Customer acknowledges that Provider may prepare and record in the relevant registry of deeds evidence of the Licenses (which may be a memorandum of license and/or a separate license instrument consistent with this Section), and Customer shall cooperate with such efforts, including by executing such document(s). Each Party shall comply with all Occupational Safety and Health Act (OSHA) requirements and other similar applicable safety laws and codes with respect to such Party’s performance under this Agreement.
- b. Maintenance of Premises. Customer shall, at its sole cost and expense, maintain the Premises in good condition and repair. Customer, to the extent within its reasonable control, (i) shall ensure that the Premises remains connected to the local electric utility grid at all times; (ii) shall assure that the Premises maintains ingress and egress access to and from a public right of way sufficient in area and design to accommodate each Vehicle; and (iii) shall not permit or cause cessation of electric service to such Premises from the local electric utility.

- c. No Alteration of Premises. Not less than thirty (30) days prior to making or allowing to be made any planned alterations or repairs to a Premises that may adversely affect the operation and maintenance of the System, Customer shall inform Provider in writing and, thereafter, shall use commercially reasonable efforts to conduct, or cause to be conducted, such repairs, alterations or improvements in compliance with any reasonable written request to mitigate any adverse effect that is delivered by Provider no later than ten (10) days after Provider receives Customer's alternation notice. If any repair, alteration, or improvement results in a permanent and material adverse economic impact on the System, Customer may request relocation of the System under **Section 14(g)**. To the extent that temporary disconnection or removal of the System is necessary to perform such alterations or repairs, Provider shall perform such work, and any re-connection or re-installation of the System, at Customer's cost.
- d. Approvals; Access to Customer Information. Customer shall cooperate with Provider's reasonable requests to assist Provider in obtaining such Approvals, including, without limitation the execution of documents required to be provided by Customer to the utility, such as any easements and consents from Customer or the owner of the Premises or of adjacent properties.
- e. Customer's Interest in Premises. Customer represents, warrants, and covenants to Provider the following as of the Effective Date: (a) Customer has title to or a leasehold or other valid property interest in such Premises, (b) the grant of the Licenses and other rights under this Agreement does not violate any law, ordinance, rule, or other governmental restriction applicable to Customer or the Customer's use of the Premises and is not inconsistent with and will not result in a breach or default under any agreement by which Customer is bound or that affects the Premises or, if applicable, the System, and (c) if Customer does not own the Premises under this Agreement or any improvement to such Premises on which the System is to be installed, Customer has obtained all required consents from the Premises Landowner or improvement owner, as the case may be, to grant the Licenses and other rights to Provider with respect to such Premises and improvement(s) so that Provider may perform its obligations under this Agreement.
- f. Environmental.
- i. *Representations.* Customer represents that there are no Hazardous Substances (as defined below) present on, in or under the Premises in violation of any applicable law. Customer shall not introduce, store, discharge, manage or use any Hazardous Substances on, in or under the Premises in violation of any applicable laws, legal requirements, or Provider's maintenance obligations. In the event of the discovery of Hazardous Substances on, in or under the Premises, Customer shall comply with all applicable laws relating thereto. In no event shall Provider be responsible for Hazardous Substances on or migrating from the Premises arising from or related to acts or omissions that were not caused by Provider. The provisions of this Section shall survive the termination or expiration of this Agreement.
  - ii. *Notices.* Each Party shall promptly notify the other Party if it becomes aware of any Hazardous Substance on or about the Premises generally or any deposit, spill or release of any Hazardous Substance.
  - iii. **"Hazardous Substance"** means any chemical, waste or other substance (a) which now or hereafter becomes defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "pollution," "pollutants," "regulated substances," or words of similar import under any laws pertaining to the environment, health, safety or welfare, (b) which is declared to be hazardous, toxic, or polluting by any Governmental Authority, (c) exposure to which is now or hereafter prohibited, limited or regulated by any Governmental Authority, (d) the storage, use, handling, disposal or release of which is restricted or regulated by any Governmental Authority, or (e) for which remediation or cleanup is required by any Governmental Authority.
- g. Relocation. If, during the Term, (i) Customer ceases to use any Vehicle to conduct transportation operations at the Premises, or vacates such Premises; (ii) the Premises are substantially damaged or destroyed; or (iii) the Customer is otherwise unable to continue to host the System at the Premises for any other reason (other than a Default Event by Provider), Customer may propose in writing the relocation of the Chargers and Infrastructure, at Customer's cost, in lieu of termination of the Agreement by Provider for a Default Event (defined below) by Customer. If such proposal is practically feasible and preserves the economic value of the agreement for Provider, the Parties shall seek to negotiate in good faith an agreement for the relocation of the Chargers and Infrastructure. If the Parties are unable to reach agreement on relocation of such Chargers and Infrastructure within sixty (60) days after the date of receipt of Customer's proposal, Provider may terminate this Agreement pursuant to **Section 16(b)(ii)**.

- h. **Removal.** The Parties acknowledge Provider's investment in, and the expected long-term value of, the charging, electrical infrastructure, and metering components of the Chargers and Infrastructure. The Parties therefore agree to meet at least one (1) year prior the end of the Initial Term or, as applicable, the Extension Term or as soon as practicable upon the earlier termination of this Agreement in order to discuss the use of the components of the System in connection with Customer's future transit plans. Customer will endeavor to use such System components in connection with any future electrical vehicle operations, to the extent practicable and upon agreement to a reasonable purchase or lease arrangement with Provider, but in no event shall Customer or Provider be obligated to enter into any such arrangement. Unless such arrangement is entered into, during the 90-day period following the last day of the Initial Term or, as applicable, the Extension Term, Provider shall, at its expense and in a reasonably diligent manner, (a) decommission and remove from the Premises all above-ground property comprising the System, and (b) return to substantially original condition (excluding ordinary wear and tear) any portion of the Premises that was impacted by the above-ground components of the System or during its decommissioning. Customer must provide access, space, and cooperation as reasonably necessary to facilitate removal of the Chargers and Infrastructure. If Provider fails to remove or commence substantial efforts to remove the Chargers and Infrastructure as required by this provision, Customer may, at its option, remove such Chargers and Infrastructure to a public warehouse and restore the Premises to its original condition (other than ordinary wear and tear) at Provider's cost.

**15. Mutual Representations and Warranties; Disclaimer.**

- a. Each Party represents and warrants to the other the following as of the Effective Date:
- i. Such Party is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation; the execution, delivery, and performance by such Party of this Agreement have been duly authorized by all necessary corporate, partnership, limited liability company, or, if required for such Party, action by Governmental Authority, as applicable, and do not and will not violate any law; and this Agreement is the valid obligation of such Party, enforceable against such Party in accordance with its terms (except as may be limited by applicable bankruptcy, insolvency, and other similar laws relating to creditors' rights generally);
  - ii. Such Party has obtained all licenses, authorizations, consents, and approvals required by any Governmental Authority or other third party and necessary for such Party to own its assets, carry on its business, and to execute and deliver this Agreement, and such Party is in compliance with all laws that relate to this Agreement in all material respects; and
  - iii. Neither the execution and delivery of this Agreement by such Party nor the performance by such Party of any of its obligations under this Agreement conflicts with or will result in a breach or default under any agreement or obligation to which it is a party or by which it is bound.
- b. **EXCLUSION OF WARRANTIES.** EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE SERVICES PROVIDED BY PROVIDER TO CUSTOMER PURSUANT TO THIS AGREEMENT SHALL BE "AS-IS WHERE-IS." NO OTHER WARRANTY TO CUSTOMER OR ANY OTHER PERSON, WHETHER EXPRESS, IMPLIED OR STATUTORY, IS MADE AS TO THE INSTALLATION, DESIGN, DESCRIPTION, QUALITY, MERCHANTABILITY, COMPLETENESS, USEFUL LIFE, FUTURE ECONOMIC VIABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE OF THE SYSTEM OR ANY SERVICE PROVIDED HEREUNDER OR DESCRIBED HEREIN, OR AS TO ANY OTHER MATTER, ALL OF WHICH ARE EXPRESSLY DISCLAIMED BY PROVIDER.

**16. Default, Remedies and Damages.**

- a. **Default.** Any Party that fails to perform its responsibilities as listed below or experiences any of the circumstances listed below is deemed a "**Defaulting Party**," the other Party is the "**Non-Defaulting Party**," and each of the following is a "**Default Event**":
- i. failure of a Party to pay any amount due and payable under this Agreement, other than an amount that is subject to a good faith dispute, within ten (10) days following receipt of written notice from the Non-Defaulting Party of such failure to pay ("**Payment Default**");
  - ii. failure of a Party to perform any material obligation under this Agreement or other provision of this Agreement not addressed elsewhere in this **Section 16(a)** within ninety (90) days following receipt of written notice from the Non-Defaulting Party demanding such cure; provided, that if the Default Event cannot reasonably be cured within ninety (90) days and the Defaulting Party has demonstrated prior to the end of

- that period that it is diligently pursuing such cure, the cure period will be extended for a further reasonable period of time, not to exceed one-hundred eighty (180) days;
- iii. any representation or warranty given by a Party under this Agreement, was incorrect in any material respect when made and is not cured within sixty (60) days following receipt of written notice from the Non-Defaulting Party demanding such cure;
  - iv. a Party becomes insolvent or is a party to a bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or any general assignment for the benefit of creditors or other similar arrangement or any event occurs or proceedings are taken in any jurisdiction with respect to the Party which has a similar effect (or, if any such actions are initiated by a third party, such action(s) is (are) not dismissed within sixty (60) days); or
  - v. in the case of Customer as the Defaulting Party only, Customer (A) loses its rights to access, operate, maintain, repair, or otherwise use any Vehicle under this Agreement whether at the Premises or otherwise, either permanently or for a period of 120 consecutive days, (B) loses its rights to access, use, occupy, and enjoy the Premises unless the Parties agree upon a relocation of the System under **Section 14** above; or (C) prevents Provider from performing any material obligation under this Agreement with respect to this Agreement unless such action by Customer (I) is permitted under this Agreement, or (II) is cured within ten (10) days after written notice thereof from Provider.

The failure of the Charger Uptime Guarantee shall not be a Default Event by Provider so long as Provider satisfies any obligation under this Agreement to pay or credit Customer with respect to such failure.

b. Remedies.

- i. Upon the occurrence and during the continuation of a Default Event by Customer, including a Payment Default, Provider may suspend performance of its obligations under this Agreement until the earlier to occur of the date (a) that Customer cures the Default Event in full, or (b) of termination of this Agreement. Provider's rights under this **Section 16(b)(i)** are in addition to any other remedies available to it under this Agreement, at law, or in equity. Notwithstanding suspension by Provider under this Section, during the period of the suspension, Provider shall have access to and use of the Premises and System, including the Vehicles, and may continue to provide Services during the period of the suspension.
- ii. Upon the occurrence and during the continuation of a Default Event, the Non-Defaulting Party may terminate this Agreement, by providing five (5) days' prior written notice to the Defaulting Party; provided, that in the case of a Default Event under **Section 16(a)(iv)**, the Non-Defaulting Party may terminate this Agreement immediately.
- iii. Upon a termination of this Agreement due to a Default Event by Customer, Customer shall pay to Provider, as a reasonable estimate of Provider's damages, and not as a penalty, a termination payment in accordance with **Exhibit 2B**. In addition, upon termination of this Agreement due to a Default Event, and subject to **Sections 17(c)** and **(d)**, the Non-Defaulting Party may exercise any other remedy available at law or equity or under this Agreement, including recovery of all reasonably foreseeable damages.

- c. Obligations Following Termination. If a Party terminates this Agreement pursuant to **Section 16(b)(ii)**, then following such termination, Provider shall remove the equipment constituting the System in compliance with **Section 14** at the sole cost and expense of the Defaulting Party; provided, that Provider shall not be required to remove the System following the occurrence of a Default Event by Customer pursuant to **Section 16(a)(i)**, unless Customer pre-pays the cost of removal and restoration reasonably estimated by Provider. Nothing in this Section limits either Party's right to pursue any remedy under this Agreement, at law or in equity, including with respect to the pursuit of an action for damages by reason of a breach or Default Event under this Agreement. Regardless of whether this Agreement is terminated for a Default Event, the Non-Defaulting Party must make commercially reasonable efforts to mitigate its damages resulting from such Default Event.

**17. Indemnification and Limitations of Liability.**

- a. General. Each Party (the "**Indemnifying Party**") shall defend, indemnify, and hold harmless the other Party and its respective officers, agents, and employees (collectively, the "**Indemnified Parties**"), from and against any loss, damage, expense, liability and other claims, including court costs and reasonable attorneys' fees (collectively, "**Liabilities**") resulting from any Claim (as defined below) relating to (1) the Indemnifying Party's breach of any representation or warranty set forth in **Section 15**; (2) a breach by the Indemnifying Party of its obligations under this Agreement; or (3) injury to or death of persons, and damage to or loss of property, to the extent caused by or arising

out of the negligent acts or omissions of, or the willful misconduct of, the Indemnifying Party (or its contractors, agents, or employees) in connection with this Agreement; provided, that nothing herein will require the Indemnifying Party to indemnify the Indemnified Parties for any Liabilities to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, an Indemnified Party.

- b. Notice and Participation in Third Party Claims. The Indemnified Party shall give the Indemnifying Party written notice with respect to any Liability asserted by a third party (a “Claim”), as soon as possible upon the receipt of information of any possible Claim or of the commencement of such Claim. The Indemnifying Party may assume the defense of any Claim, at its sole cost and expense, with counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party. The Indemnified Party may, however, select separate counsel if both Parties are defendants in the Claim and such defense or other form of participation is not reasonably available to the Indemnifying Party. The Indemnifying Party shall pay the reasonable attorneys’ fees incurred by such separate counsel until such time as the need for separate counsel expires. The Indemnified Party may also, at the sole cost and expense of the Indemnifying Party, assume the defense of any Claim if the Indemnifying Party fails to assume the defense of the Claim within a reasonable time. Neither Party may settle any Claim covered by this Section unless it has obtained the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. The Indemnifying Party has no liability under this Section for any Claim for which such notice is not provided if the failure to give notice prejudices the Indemnifying Party.
- c. Limitations of Liability.
  - i. Except with respect to indemnification Claims and claims concerning Hazardous Substances pursuant to this Section, neither Party nor its directors, officers, shareholders, partners, members, managers, agents, employees, subcontractors, or suppliers will be liable for any special, punitive, exemplary, indirect, or consequential damages, whether foreseeable or not, arising out of, or in connection with, this Agreement; provided, that the foregoing limitations shall not apply to: (a) liabilities arising from fraud, gross negligence, or willful misconduct by a Party; or (b) losses and liabilities arising with respect to the clawback or recapture of any Incentive awards which, for the avoidance of doubt, shall constitute direct damages under this Agreement. For avoidance of doubt, any amount incurred by Provider upon default by Customer to prepay any debt incurred by Provider to finance any Vehicle or other System asset pursuant to this Agreement, including any prepayment fees, original issue discount, breakage, hedge, or swap termination fees, and other amounts payable by Provider to any Financing Party as a consequence of such Customer default, shall be included in Provider’s direct damages.
  - ii. Except with respect to indemnification of Claims, claims for nonpayment of funds expressly due from, and payable by, a Party pursuant to this Agreement, and claims concerning Hazardous Substances pursuant to this Section, the aggregate liability under this Agreement of a Party arising out of or in connection with such Party’s performance or non-performance hereof cannot exceed the payments made by Customer to Provider in the immediate two (2) years during the Term prior to the date notice of the related Claim is provided to such Party. The provisions of this Section will apply whether such liability arises in contract, tort, strict liability, or otherwise.
- d. EXCLUSIVE REMEDIES. TO THE EXTENT THAT THIS AGREEMENT SETS FORTH SPECIFIC REMEDIES FOR ANY CLAIM OR LIABILITY, AND SUCH REMEDIES ARE EXPRESSLY STATED TO BE EXCLUSIVE REMEDIES, SUCH REMEDIES ARE THE AFFECTED PARTY’S SOLE AND EXCLUSIVE REMEDIES FOR SUCH CLAIM OR LIABILITY, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE.
- e. Comparative Negligence. Where negligence is determined to have been joint, contributory, or concurrent, each Party shall bear the proportionate cost of any Liability.

**18. Force Majeure.**

- a. Force Majeure Event. If either Party is unable to timely perform any of its obligations (other than payment obligations) under this Agreement in whole or in part due to a Force Majeure Event, that Party will be excused from performing such obligations for the duration of the time that such Party remains affected by the Force Majeure Event; provided, that such Party uses commercially reasonable efforts to mitigate the impact of the Force Majeure Event and resumes performance of its affected obligations as soon as reasonably practical. The Party affected by the Force Majeure Event

shall notify the other Party as soon as reasonably practical after the affected Party becomes aware that it is or will be affected by a Force Majeure Event. If the Force Majeure Event occurs during the Term and impacts the ability of Provider to provide Services to Customer, the Term will be extended by a day for each day delivery is suspended due to the Force Majeure Event.

- b. Definition of Force Majeure Event. “**Force Majeure Event**” means any event or circumstance beyond the reasonable control of and without the fault or negligence of the claiming Party which prevents or precludes the performance by the claiming Party of its obligations under this Agreement (other than payment) and which, subject to the foregoing, may include an event or circumstance due to: an act of god; war (declared or undeclared); sabotage; cyberattack or ransomware attack; piracy; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; epidemic or pandemic; animals; the binding order of any Governmental Authority; the failure to act on the part of any Governmental Authority (including, without limitation, delays in permitting not caused by actions or omissions of the Party seeking such permit); unavailability of electricity from the utility grid and material delays in utility work associated with interconnecting to the grid and distribution of electricity to and from the applicable Premises; and failure or unavailability of equipment, supplies or products outside of Provider’s control or due to a Force Majeure Event. The 2020 pandemic of the disease COVID-19 and the consequences thereof do not constitute a Force Majeure Event.

**19. Assignment and Financing.**

a. Assignment.

- i. Subject to the remainder of this **Section 19(a)**, this Agreement may not be assigned in whole or in part by either Party without the prior written consent of the other Party, which consent may not be unreasonably withheld, conditioned, or delayed. Customer may not withhold its consent to an assignment proposed by Provider where the proposed assignee, itself or in conjunction with its affiliates and contractors, has the financial capability necessary to meet Provider’s obligations this Agreement, provided that the proposed assignee shall not be required to have financial capability or experience greater than that of Provider immediately prior to such assignment. Notwithstanding the foregoing, upon written notice to Provider, the Customer may assign its rights and responsibilities to KWRL as a separate nonprofit entity or any of the school districts making up the KWRL cooperative if required by law, a Governmental Authority with jurisdiction, or the terms of the interlocal agreement under which KWRL is organized; provided, however, that such assignment does not violate the terms of the EPA CSB Incentive or any Existing Incentive.
- ii. Notwithstanding **Section 19(a)(i)**, Provider may, without the prior written consent of Customer, assign, mortgage, pledge, or otherwise directly or indirectly assign its interests in this Agreement to (A) any Financing Party (as defined in **Section 19(b)**), (B) any entity through which Provider is obtaining financing from a Financing Party, (C) any affiliate of Provider or any person succeeding to all or substantially all of the assets comprising any System, or (D) a third-party financial owner of a System, provided that Provider or its asset management affiliate remains the asset manager of the applicable System. Provider shall not be released from liability hereunder as a result of an assignment under subsections (C) or (D) hereof unless the assignee assumes Provider’s obligations hereunder by binding written instrument. The rights of Provider under this **Section 19(a)(ii)** do not include the right to impose a lien or other encumbrance on the real property of Customer.

- b. Financing. The Parties acknowledge that Provider may obtain debt or equity financing or other credit support from lenders, investors, or other third parties (each, a “**Financing Party**”) in connection with the installation, construction, ownership, and repair of a System, and, as a result thereof, may grant a lien on or security interest in all or any part of the System and its rights under this Agreement (including any rights to payment of amounts hereunder). Customer acknowledges that a Financing Party may possess an ownership or security interest in the System, or component thereof, and in Provider’s right to proceeds, rental payments, and other payments under this Agreement. Provider’s rights under this Agreement are subject and subordinate to the rights of the Financing Party under the documents evidencing Provider’s obligations to Financing Party. In furtherance of Provider’s financing arrangements and in addition to any other rights or entitlements of Provider under this Agreement, Customer shall deliver to Provider reasonable evidence of Customer’s authority to enter into and perform this Agreement (for example, a copy of the authenticated, final approving resolution of the Customer’s governing body), and Customer shall timely execute any consents to assignment (which may include notice, cure, attornment, and step-in rights) or estoppels and negotiate any amendments to this Agreement that may be reasonably requested by Provider or the Financing Parties; provided, that

such estoppels, consents to assignment, or amendments do not alter the fundamental economic terms of this Agreement or interfere with Customer's use of the System under this Agreement in accordance with this Agreement. The Parties expressly agree that Financing Party is and shall be a third-party beneficiary under this Section. Nothing in this Agreement authorizes the Provider the right to place a lien on or otherwise encumber real or personal property owned by Customer or KWRL.

- c. **Lender Step-In Right.** Customer acknowledges and agrees that upon written notice from a Financing Party, Customer will make all payments due to Provider identified by the Financing Party or under this Agreement, as a whole, directly to such Financing Party, and no such notice shall (1) constitute a Default under this Agreement, (2) impose on Financing Party any obligation to perform any of Provider's obligations under this Agreement, or (3) modify, alter, or otherwise impact any rights of Customer or obligations of Provider under this Agreement. Customer hereby expressly grants Financing Party the right and/or license to access the Premises under this Agreement at reasonable times and upon reasonable notice to (i) inspect the System, and (ii) remove any or all of the System, solely in the case of any event that results in a termination or expiration of the Agreement, pursuant and subject to the terms hereof. Customer will have no liability to Provider resulting from Customer's compliance with any notice provided by Financing Party under this Section. Customer agrees that Customer will not pay more than one month's, or any other recurring period hereunder, advance for any recurring amounts due under this Agreement without the consent of the Financing Party identified as having an interest in the System.

## **20. Confidentiality.**

- a. **Confidential Information.** To the maximum extent permitted by applicable law, including without limitation the Washington Public Records Act ("PRA"), Chapter 42.56 RCW, if either Party provides information that it has designated in writing as of the time of disclosure as intended to be confidential ("**Confidential Information**") to the other, the receiving Party shall (i) protect the Confidential Information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information and (ii) refrain from using such Confidential Information, except in the negotiation, performance, enforcement and, in the case of Provider, financing, of this Agreement. Confidential Information does not include any information that (A) becomes publicly available other than through breach of this Agreement, (B) is required to be disclosed to a Governmental Authority under applicable law or pursuant to a validly issued subpoena, (C) is independently developed by the receiving Party, (D) is required to be disclosed by a Party that is a Governmental Authority subject to freedom of information or similar transparency requirements under applicable law including, without limitation, the PRA, pursuant to a valid request for information under such law, or (E) becomes available to the receiving Party without restriction from a third party under no obligation of confidentiality. If disclosure of information is required by a Governmental Authority or by a Party that is a Governmental Authority subject to freedom of information law requirements, the disclosing Party shall, to the extent permitted by applicable law, notify the other Party of such required disclosure promptly upon becoming aware of such required disclosure and shall reasonably cooperate with the other Party's efforts to limit the disclosure to the extent permitted by applicable law, including, as applicable, the PRA.
- b. **Permitted Disclosures.** Notwithstanding **Section 20(a)**, a Party may provide Confidential Information to its affiliates and to its and its affiliates' respective officers, directors, members, managers, employees, agents, contractors, consultants, and Financing Parties (collectively, "**Representatives**"), and potential direct or indirect assignees of this Agreement if such potential assignees are first bound by a written agreement or legal obligation restricting use and disclosure of Confidential Information. Each Party is liable for breaches of this provision by any Representative or other person to whom that Party discloses Confidential Information.
- c. **Destruction; Equitable Remedies; Survival.** All Confidential Information remains the property of the disclosing Party and, upon request of the disclosing Party, will be returned to the disclosing Party or destroyed (at the receiving Party's option), subject to the record retention obligations of the receiving Party under applicable law and subject to the ability of the receiving Party to retain an archival copy consistent with receiving Party's written document retention policy. Each Party acknowledges that the disclosing Party would be irreparably injured by a breach of this **Section 20** by the receiving Party or its representatives or other person to whom the receiving Party discloses Confidential Information of the disclosing Party in breach of this **Section 20**, and that the disclosing Party may be entitled to equitable relief, including injunctive relief and specific performance, for breaches of this **Section 20**. To the fullest extent permitted by applicable law, such remedies shall not be deemed to be the exclusive remedies for a breach of this **Section 20**, but will be in addition to all other remedies available at law or in equity. The obligation of confidentiality will survive termination of this Agreement for a period of two (2) years.

- d. Goodwill and Publicity. Neither Party may (i) make any press release or public announcement of the specific terms of this Agreement (except for filings or other statements or releases as may be required by applicable law), or (ii) use service mark or trademark of the other Party in any promotional or advertising material without the prior written consent of the other Party. The Parties shall coordinate and cooperate with each other when making public announcements regarding this Agreement and the System and its use. The Parties agree that at or around the Operational Date, the Parties shall jointly issue an announcement regarding the Services and the System. Provider is entitled to (A) place signage on the System and the Premises reflecting its association with the System, with the location and content of such material approved by Customer, (B) take and use photographs and video of the System for marketing purposes, and (C) use publicly available information and Provider-developed analytics for marketing purposes. All marketing and publicity by a Party will comply with applicable law, including privacy law. Provider shall not use images of passengers or Customer personnel without express written permission.
- e. Family Educational Rights and Privacy Act Compliance. Each of Provider and Customer recognize that Designated Routes and other information generated with respect to the operation of the Vehicles may contain information that is protected from disclosure by the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g (“FERPA”), or other applicable privacy law (FERPA collectively with such other applicable privacy laws, the “Privacy Laws”). Provider shall be considered a “school official” for the purposes of FERPA. Notwithstanding Terms and Conditions Section 20(b), neither Provider nor Customer shall disclose any information protected by any Privacy Laws except to the extent authorized by the applicable Privacy Law.

## 21. General Provisions.

- a. Notices. All notices under this Agreement shall be in writing and delivered by hand, electronic mail, overnight courier, or regular, certified, or registered mail, return receipt requested, and will be deemed received upon personal delivery, delivery receipt for electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices must be sent to the notice address of a Party identified in the Scope of Services or such other address as either Party may specify in writing pursuant to this Section.
- b. Survival. The following provisions of this Agreement will survive termination: Scope of Services Section 14; Exhibit 1C, Terms and Conditions, Sections 5, 8, 10(b)(vii), 10(e), 14(f), 14(h), 16, 17, 19, 20, and 21, Exhibit 2B, and Exhibit 2C Sections 19, 20, 21, 23, 25, and 28.
- c. Further Assurances. Each Party shall provide such information, execute and deliver any instruments and documents, and take such other actions as may be reasonably requested by the other Party to give full effect to this Agreement and to carry out the intent of this Agreement.
- d. Waivers. No provision or right or entitlement under this Agreement may be waived or varied except in writing signed by the Party to be bound. No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision, nor will such waiver constitute a continuing waiver unless otherwise expressly provided.
- e. Non-Dedication of Facilities. Nothing in this Agreement may be construed as the dedication by either Party of its facilities or equipment to the public or any part thereof. Neither Party may knowingly take any action that would subject the other Party, or other Party’s facilities or equipment, to the jurisdiction of any Governmental Authority as a public utility or similar entity. Neither Party may assert in any proceeding before a court or regulatory body that the other Party is a public utility by virtue of such other Party’s performance under this Agreement.
- f. No Partnership. No provision of this Agreement may be construed or represented as creating a partnership, trust, joint venture, fiduciary, or any similar relationship between the Parties. Except as expressly provided in this Agreement, no Party is authorized to act on behalf of the other Party, and neither may be considered the agent of the other.
- g. Service Contract. The Customer and Provider intend and agree that this Agreement is a “service contract” within the meaning of Section 7701(e) of the Internal Revenue Code of 1986, as amended.

- h. Customer-Specific Provisions. Except as otherwise expressly stated on **Exhibit 2C**, the provisions of any **Exhibit 2C** included as part of this Agreement replace and supersede any inconsistent provision included in the Scope of Services, these Terms and Conditions, or any Exhibit to the extent of the inconsistency.
- i. Entire Agreement, Modification, Invalidity, Captions. This Agreement constitutes the entire agreement of the Parties regarding its subject matter and supersedes all prior proposals, agreements, or other communications between the Parties, oral or written. No aspect of this Agreement (including, the Services, the Contract Price, the number or specifications for the Vehicles, or other provision) may be modified, other than pursuant to a written document executed by Customer and Provider, including a written amendment, supplement, or change order, that identifies specific changes to the Services, the Contract Price, the number or specifications for the Vehicles, or other provision this Agreement, subject only to **Section 11(a)** concerning changes to the System Site Plan. If any provision of this Agreement is found unenforceable or invalid, such provision shall not be read to render this Agreement unenforceable or invalid as a whole. In such event, such provision shall be rectified or interpreted so as to best accomplish its objectives within the limits of applicable law.
- j. Order of Precedence. This Agreement is composed of the Scope of Services (Part 1), these Terms and Conditions (Part 2), and the Exhibits to each such Part, each of which is incorporated herein by reference. In the event of any conflicts among the Parts and any Part Exhibit, Exhibit 2C (Customer-Specified Terms), if any, shall prevail, followed by Parts 1, including its Exhibits, and Part 2, including its Exhibits (other than any Exhibit 2C), in that order of precedence.
- k. No Third-Party Beneficiaries. Except as otherwise expressly provided herein, this Agreement and all rights hereunder are intended for the sole benefit of the Parties hereto, and the Financing Parties, to the extent provided herein or in any other agreement between a Financing Party and Provider or Customer, and do not imply or create any rights on the part of, or obligations to, any other Person.
- l. Affiliate Operations. For purposes of this Agreement, if Customer's affiliate(s) is (are) the applicable lessee or Landowner of the Premises, or the operating entity actually conducting operations with respect to vehicles maintained at the Premises, then Customer shall cause such affiliate to comply with the terms, covenants, and obligations of this Agreement which apply to the activities of such affiliate.
- m. Counterparts. This Agreement may be executed in any number of separate counterparts, and each counterpart will be considered an original and together comprise the same agreement.

<<<End of Terms and Conditions>>>

**Part 2, Exhibit 2A**  
**Certificate of Commercial Operation**

PROJECT NAME: **Woodland School District No. 404 – 14 Bus Electrification**  
PROJECT ADDRESS: 32519 Northwest 31st Avenue, Ridgefield, Washington 98642  
989 Frazier Lane, Woodland, Washington 98674

**OPERATIONAL DATE: [\_\_\_\_\_]**

Pursuant to **Section 7** of the Terms and Conditions under the Transportation Equipment Services Agreement (as may be amended or modified from time to time, the “**Agreement**”), dated [\_\_\_\_\_] by and between **Woodland School District No. 404** (“**Customer**”) and HEF-P Woodland, LLC (“**Provider**”), this Operational Date Certificate (“**Certificate**”) is hereby provided by Provider to Customer in accordance with the Agreement. All capitalized terms used, but not defined, herein shall have the meaning ascribed to them in the Agreement.

This Certificate applies to the System.

Provider hereby certifies that, as of the Operational Date set forth above and subject to Punchlist Items set forth on the list attached to this Certificate: (i) the Chargers are installed at the Premises and operational; (ii) the Infrastructure necessary to support the Vehicles and the Chargers is installed at the Premises and operational; and (iii) any Approvals required for the installation and operation of the System have been obtained.

Upon acceptance of this Certificate, Customer agrees that the Operational Date for the System is the Operational Date set forth above.

**IN WITNESS WHEREOF**, Provider and Customer are executing this Certificate as of the Operational Date set forth above on this Certificate.

**Provider:**

**HEF-P Woodland, LLC**

By: \_\_\_\_\_  
Name:  
Title:  
Date: \_\_\_\_\_

Customer accepts Provider’s Certificate and acknowledges the Operational Date as set forth above.

**Woodland School District No. 404:**

By: \_\_\_\_\_  
Name:  
Title:  
Date: \_\_\_\_\_

**Attachments: Punch List Items**

<<<<End of Part 2, Exhibit 2A>>>>

**Part 2, Exhibit 2B**  
**Termination Payment Schedule**

Date of Termination due to Customer Default Event	Termination Payment*
From Effective Date through last Operational Date	\$2,320,000.00
Contract Year 1	\$1,942,000.00
Contract Year 2	\$1,865,000.00
Contract Year 3	\$1,781,000.00
Contract Year 4	\$1,687,000.00
Contract Year 5	\$1,581,000.00
Contract Year 6	\$1,459,000.00
Contract Year 7	\$1,318,000.00
Contract Year 8	\$1,160,000.00
Contract Year 9	\$984,000.00
Contract Year 10	\$785,000.00
Contract Year 11	\$559,000.00
Contract Year 12	\$303,000.00
Contract Year 13	\$16,000.00
<p>* Consistent with Agreement Part 2, Sections 16(b)(iii), 16(c), and 17(c)(i)(b), the foregoing Termination Payments shall be due and payable by Customer upon a Customer Default Event and resulting termination of the Agreement <i>in addition to</i> the total amount Provider can demonstrate is required to be paid by Provider or any affiliate of Provider due to a Customer Default Event or any related termination of this Agreement in respect of any Incentive, including recapture of the value of any Incentive, interest, and penalties; provided, however, that in all such instances, Provider shall use reasonable efforts to mitigate the amount paid or payable by Provider or any Provider affiliate in this regard.</p>	

<<<End of Part 2, Exhibit 2B>>>

**Part 2, Exhibit 2C**  
**Customer-Specific Provisions**

1. **Facilitation of Securing 45W Credit.** Provider shall use commercially reasonable efforts to: (i) cooperate with Customer in obtaining and securing for the benefit of Customer any and all 45W Tax Credits, (ii) not make any filing or statements inconsistent with Customer's ownership interests in the 45W Tax Credit, and (iii) immediately pay or deliver to Customer the value of any 45W Tax Credit that is, directly or indirectly, paid to, delivered to, or otherwise realized by Provider.
2. **Customer Incentives.** Provider shall reasonably cooperate at no out-of-pocket cost to Provider and at no cost to Customer in applying for, obtaining, and administering the Existing Incentives and Customer Incentives identified in the Scope of Services. Should obtaining any Existing Incentives and Customer Incentives require compliance with certain terms (e.g., terms of federal or state grants), Provider shall comply, and ensure that any of its subcontractors comply, with such requirements.
3. **Status of Customer as Agent for KWRL.** The Parties recognize and agree that the Woodland School District No. 404, referred to in this Agreement as the "Customer," is the fiscal and administrative agent for the Kalama-Woodland-Ridgefield-La Center Transportation Cooperative ("**KWRL**") pursuant to an interlocal agreement executed by the Kalama, Woodland, Ridgefield, and La Center school districts under the Interlocal Cooperation Act, Chapter 39.34 RCW, such that the Customer is the employer of record for KWRL employees. The Parties further recognize and agree that KWRL exists as a separate Washington nonprofit corporation under Chapter 24.06 RCW that owns the Clark Depot.
4. **Licensure and Registration.** Provider and any subcontractor performing the Installation Services shall be registered or licensed as required by applicable law. Provider represents and warrants that neither it nor any subcontractor of any tier is barred from contracting with the State of Washington or any political subdivision thereof under RCW 39.06.010.
5. **Permits.** Unless otherwise provided in the Agreement, Provider shall pay for and obtain all permits, licenses, and inspections (each, an "**Approval**") necessary for proper execution and completion of the Installation Services. Prior to the Operational Date, the approved, signed Approvals for the Installation Services shall be delivered to Customer.
6. **Compliance with Laws.** In carrying out the Installation Services, the Provider shall comply, and ensure that all of its subcontractors comply, with the provisions of all federal, state, and local statutes, regulations, and ordinances applicable to the Installation Services and those laws and requirements made applicable to the Installation Services pursuant to the provisions of any Existing Incentive or the EPA CSB Incentive.
7. **Provider Responsible for Means and Methods of Construction.** Provider shall supervise and direct the Installation Services, using its best skill and attention, and shall perform the Installation Services in a skillful manner. Provider shall be solely responsible for and have control over construction means, methods, techniques, sequences, and procedures and for coordinating all portions of the Installation Services, unless the Agreement gives other specific instructions concerning these matters. Provider shall disclose its means and methods of construction when requested by Customer.
8. **Work During Off Hours.** When Installation Services are to be performed at the Premises during other than normal working hours or on Woodland School District holidays, Provider shall give Customer prior notice. Any construction activity between the hours of 10:00 p.m. to 6:00 a.m. is subject to approval of Customer.
9. **Prevailing Wages.**
  - a. **Provider to Pay Prevailing Wages.** Provider shall pay the prevailing rate of wages to all workers, laborers, or mechanics employed in the performance of any part of the Installation Services in accordance with Chapter

39.12 RCW and the rules and regulations of the Washington State Department of Labor and Industries (“**Department**”). The schedule of prevailing wage rates for the locality or localities of the Installation Services is determined by the Industrial Statistician of the Department. It is the Provider’s responsibility to verify the applicable prevailing wage rate. The Provider may access wage rate information via the Department’s website at <http://www.lni.wa.gov/TradesLicensing/PrevWage/WageRates>, selecting “Cowlitz County” or “Clark County,” as applicable, for the location of the public works project and using as the effective date the Effective Date of this Agreement.

- b. **Statement of Intent to Pay Prevailing Wages.** Before payment is made by the Customer to the Provider for any Installation Services performed by the Provider or subcontractors included in the application for payment, the Provider shall submit, or shall have previously submitted to the Customer, a Statement of Intent to Pay Prevailing Wages, approved by the Department, certifying the rate of hourly wage paid and to be paid to each classification of laborers, workers, or mechanics employed upon the Installation Services by Provider and subcontractors. Such rates of hourly wage shall not be less than the prevailing wage rate.
- c. **Affidavit of Wages Paid.** Prior to release of retainage, the Provider shall submit to the Customer an Affidavit of Wages Paid, approved by the Department, for the Provider and every subcontractor, of any tier, that performed the Installation Services.
- d. **Disputes.** Disputes regarding prevailing wage rates shall be referred for arbitration to the Director of the Department. The arbitration decision shall be final and conclusive and binding on all parties involved in the dispute as provided for by RCW 39.12.060.
- e. **Statement with Pay Application; Post Statements of Intent at Jobsite.** Each Application for Payment submitted by Provider shall state that prevailing wages have been paid in accordance with the pre-filed statement(s) of intent, as approved. Copies of the approved intent statement(s) shall be posted on the job site with the address and telephone number of the Industrial Statistician of the Department where a complaint or inquiry concerning prevailing wages may be made.
- f. **Provider to Pay for Statements of Intent and Affidavits.** In compliance with Chapter 296-127 WAC, Provider shall pay to the Department the currently established fee(s) for each statement of intent and/or affidavit of wages paid submitted to the Department for certification.
- g. **Certified Payrolls.** Consistent with WAC 296-127-320, the Provider and any Subcontractor shall submit a certified copy of payroll records if requested.

10. **Hours of Labor.**

- a. **Overtime.** Provider shall comply with all applicable provisions of Chapter 49.28 RCW, which are incorporated herein by reference. To the extent such statute is applicable to the Installation Services, no laborer, worker, or mechanic employed by Provider, any subcontractor, or any other person performing or contracting to do the whole or any part of the Installation Services, shall be permitted or required to work more than eight (8) hours in any one calendar day, provided, that in cases of extraordinary emergency, such as danger to life or property, the hours of work may be extended, but in such cases the rate of pay for time employed in excess of eight (8) hours of each calendar day shall be not less than one and one-half (1.5) times the rate allowed for this same amount of time during eight (8) hours of service.
- b. **4-10 Agreements.** Notwithstanding the preceding paragraph, Chapter 49.28 RCW permits the Provider or a subcontractor subject to those provisions to enter into an agreement with its employees in which the employees work up to ten (10) hours in a calendar day. No such agreement may provide that the employees work ten (10) hour days for more than four (4) calendar days a week. Any such agreement is subject to approval by the employees. The overtime provisions of Chapter 49.28 RCW shall not apply to the hours, up to forty (40) hours per week, worked pursuant to any such agreement.

11. **Nondiscrimination.** Provider shall comply with all applicable federal and state laws and regulations prohibiting

discrimination in the performance of this Agreement, including without limitation the Washington Law Against Discrimination, Chapter 49.60 RCW, and shall not discriminate in any programs or activities under this agreement on the basis of sex, race, creed, religion, color, national origin, age, veteran or military status, sexual orientation, gender expression or identity, disability, or the use of a trained dog guide or service animal.

12. **Provider to Employ Competent and Disciplined Workforce.** Provider shall enforce strict discipline and good order among its employees and other persons carrying out the Services, including observance of badging, drug testing, and all smoking, tobacco, drug, alcohol, parking, safety, weapons, background checks, sexual harassment, and other rules governing the conduct of personnel at the Premises.
  - a. Copies of the Customer's policies and procedures applicable to the Project are available at <https://www.woodlandschools.org/policies>.
  - b. Provider shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.
  - c. No employees of either Provider or any of its subcontractors of any tier shall harass, intimidate, have physical contact with, or engage in other verbal or physical conduct or communication of a sexual, intimidating, or harassing nature with students, parents, volunteers, or Customer's directors, officers, or employees, nor create an intimidating, hostile, or offensive environment.
  - d. Without limiting the foregoing, Provider shall remove from the performance of Services at the Premises any employee, agent, or other person who has violated Customer's policies and/or procedures or otherwise engaged in actions that Customer reasonably considers objectionable without change in the cost or time for performance of such Services.
  - e. Provider shall also ensure by appropriate provisions in each subcontract agreement that Provider may remove from the performance of Services at the Premises any subcontractor or subcontractor's employee who has violated Customer policies/procedures or engaged in such action without change in the cost or time for performance of such Services.
13. **Drug-Free Workplace.** The Provider and all subcontractors of any tier shall fully comply with all applicable federal, state, and local laws and regulations regarding maintaining a drug-free workplace, including the Drug-Free Workplace Act of 1988. Any person not fit for duty for any reason, including the use of alcohol, controlled substances, or drugs, shall immediately be removed from the provision of Services at the Premises.
14. **Tobacco-Free Environment.** Pursuant to RCW 28A.210.310, smoking or use of any kind of lighted pipe, cigar, cigarette, vaping device, or any other lighted smoking equipment, tobacco material, or smokeless tobacco product is prohibited on all Customer property, including the Premises.
15. **Weapons-Free Environment.** The Provider and its employees, agents, and subcontractors of any tier shall not bring onto the Premises any firearm or any other type of weapon described in either RCW 9.41.280(1) or RCW 9.41.250. Any person violating this section shall immediately be removed from the provision of Services at the Premises, and such a violation shall be grounds for termination of this Agreement for cause at the Customer's discretion.
16. **Background checks.** All employees of Provider and subcontractors of any tier who may have unsupervised access to students shall undergo a record check through the Washington State Patrol criminal investigation system under RCW 43.43.830-.834, RCW 10.97.030, and RCW 10.97.050, and through the Federal Bureau of Investigation, before working at the Premises. The record check shall include a fingerprint check using a complete Washington State criminal identification fingerprint card. Provider shall provide the results of the record check to the subject of the records and to Customer. Provider shall pay all costs of the requirements set forth in this Section. When necessary, personnel may be employed to provide Services on a conditional basis pending completion of the background check. In addition, any agreements between the Provider and subcontractors of any tier who shall perform Services for Customer shall include this provision requiring the subcontractor to comply

with RCW 28A.400.303.

17. **Crimes Against Children.** The Provider shall prohibit any employee of the Provider from working at the Premises who has pleaded guilty to or been convicted of any crime enumerated in RCW 28A.400.322, as now or hereafter amended. Any failure to comply with this Section 21 of Exhibit 2C shall be grounds for the Customer to immediately terminate the Agreement. In addition, any agreements between the Provider and subcontractors of any tier who shall perform Services for the Customer shall include this provision requiring the subcontractor to prohibit any employee of said subcontractor from working at a public school or the Premises who has pleaded guilty to or been convicted of any crime enumerated in RCW 28A.400.322.

18. **Safety Precautions.**

a. **Provider Responsible for Safety.** Provider shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the performance of the Services at the Premises. The Provider shall comply with pertinent provisions of Chapter 49.17 RCW (“Washington Industrial Safety and Health Act”) and Chapter 296-155 WAC (“Safety Standards for Construction Work”).

b. **Trench Safety.** Without limiting the foregoing, if trench excavation at the Premises shall exceed a depth of four (4) feet, Provider shall utilize adequate safety systems for the trench excavation that meet the requirements of Chapter 49.17 RCW.

c. **Provider Safety Responsibilities.** In carrying out its responsibilities according to the Agreement, Provider shall protect the lives and health of employees performing the Services and other persons who may be affected by the Services; prevent damage to materials, supplies, and equipment, whether stored at or away from the Premises; and prevent damage to other property at the Premises worksite or adjacent thereto. Provider shall comply with all applicable laws, ordinances, rules, regulations, and orders of any public body having jurisdiction for the safety of persons or property or to protect them from damage, injury, or loss; shall erect and maintain all necessary safeguards for such safety and protection; and shall notify owners of adjacent property and utilities when prosecution of the Installation Services may affect them.

d. **Provider Notifications of Spills, Failures, Inspections, and Fines.** Provider shall promptly notify Customer of all spills or releases at the Premises of any Hazardous Substances which are otherwise required to be reported to any regulatory agency and pay the cost of cleanup. Provider shall promptly notify Customer of all failures of Provider or its agents to comply at the Premises with any federal, state, or local law, regulation, or ordinance; all inspections of the worksite by any regulatory entity concerning the same; all regulatory orders or fines; and all responses or interim cleanup actions taken by or proposed to be taken by any Governmental Authority or private party at the Premises relating to the performance of this Agreement by Provider or its agents.

e. **Public Safety and Traffic.** All Services to be provided at the Premises shall be performed with due regard for the safety of the public. Provider shall perform the Services to be provided at the Premises so as to cause a minimum of interruption of vehicular traffic or inconvenience to pedestrians. All arrangements to care for such traffic shall be Provider’s responsibilities. All expenses involved in the maintenance of traffic at or adjacent to the Premises by way of detours shall be borne by Provider.

f. **No Duty of Safety By Customer.** Nothing provided in this **Section 18** of Exhibit 2C shall be construed as imposing any duty upon Customer with regard to, or as constituting any express or implied assumption of control or responsibility over the delivery of Services by Provider or its agents, Premises worksite safety in respect of the provision of Services at the Premises, or over any other safety conditions at the Premises relating to employees or agents of Provider or any of its subcontractors, or the public. However, Provider shall not be responsible for safety issues at the Premises caused by Customer or by any other person, other than Provider, its agents, and its invitees.

19. **Provider to Protect and Repair Property.** Provider shall protect from damage all existing structures, equipment, improvements, utilities, and vegetation: at or near the Premises worksite; and on adjacent property of a third party,

the locations of which are made known to or should be known by Provider. Provider shall repair any damage to the Premises and any damage to the property of a third party, in each case resulting from failure by Provider or its agents to comply with the requirements of the Agreement or failure by Provider or its agents to exercise reasonable care in performing the Services at the Premises. If Provider fails or refuses to repair such damage promptly, upon written notice to Provider, Customer may have the necessary work performed and charge the cost to Provider. Without limiting the foregoing, Provider shall only remove trees when specifically authorized to do so (as provided on the System Site Plan or otherwise approved in writing by Customer), and shall protect vegetation that shall remain in place.

20. **Provider to Remove Non-Conforming Work.** Provider shall remove from the Premises worksite portions of the System which are not in accordance with the requirements of this Agreement, including the System Site Plan, and are neither corrected by Provider nor accepted by Customer.
21. **Cleanup.** Provider shall at all times keep the Premises and the Premises worksite, including hauling routes, infrastructures, utilities, and storage areas, free from accumulations of waste materials due to the acts or failures by Provider or its agents. Before completing the Installation Services, Provider shall remove from the Premises its rubbish, tools, scaffolding, equipment, and materials. Upon completing the Installation Services, Provider shall leave the Premises in a clean, neat, and orderly condition reasonably satisfactory to Customer. If Provider fails to clean up the Premises following the completion of Installation Services as provided herein, and after reasonable notice from Customer, Customer may do so and the cost thereof shall be charged to Provider.
22. **Subcontractor Responsibility.** The Provider shall include the language of this **Section 22** of Exhibit 2C in each of its first-tier subcontracts for the performance of Installation Services involving construction and shall require each of its subcontractors for the performance of Installation Services involving construction to include the same language of this section in each of their subcontracts for such Services, adjusting only as necessary the terms used for the contracting parties. Upon request of the Customer, the Provider shall promptly provide documentation to the Customer demonstrating that any subcontractor providing Installation Services involving construction meets the subcontractor responsibility criteria below. The requirements of this **Section 22** apply to all subcontractors performing Installation Services involving construction regardless of tier.
  - a. At the time of execution of a subcontract for the provision of Installation Services involving construction, the Provider shall verify that each of its first-tier subcontractors meets the following responsibility criteria:
    - i. Have a current certificate of registration as a contractor in compliance with Chapter 18.27 RCW;
    - ii. Have a current Washington Unified Business Identifier (UBI) number;
    - iii. If applicable, have:
      - A. Industrial Insurance (workers' compensation) coverage for the subcontractor's employees working in Washington, as required in Title 51 RCW;
      - B. A Washington Employment Security Department number, as required in Title 50 RCW;
      - C. A Washington Department of Revenue state excise tax registration number, as required in Title 82 RCW;
      - D. An electrical contractor license, if required by Chapter 19.28 RCW; and
      - E. An elevator contractor license, if required by Chapter 70.87 RCW.
    - iv. Not be disqualified from bidding on any public works contract under RCW 39.06.010 or RCW 39.12.065(3).
    - v. To the extent the apprenticeship utilization requirements in RCW 39.04.320 are applicable to such subcontractor for the performance of Installation Services involving construction, not have been found out of compliance by the Washington state apprenticeship and training council for working apprentices out of ratio, without appropriate supervision, or outside their approved work processes as outlined in their standards of apprenticeship under Chapter 49.04 RCW for the one-year period immediately preceding the date of the Customer's first advertisement of the project.
  - b. **Subcontracts in Writing and Passthrough Provision.** All subcontracts for the performance of Installation Services involving construction must be in writing. By appropriate written agreement, Provider shall require

each subcontractor, so far as applicable to the Installation Services involving construction to be performed by the subcontractor, to assume toward Provider all the obligations and responsibilities which Provider assumes toward Customer in accordance with this Exhibit 2C of the Agreement. Each such subcontract shall preserve and protect the rights of Customer in accordance with the Agreement with respect to the Installation Services involving construction to be performed by the subcontractor so that subcontracting thereof shall not prejudice such rights. Where appropriate, Provider shall require each subcontractor for the performance of Installation Services involving construction to enter into similar agreements with sub-subcontractors. However, nothing in this paragraph shall be construed to alter the contractual relations between Provider and its subcontractors with respect to insurance or bonds.

- c. **Coordination of Subcontractors; Provider Responsible for Installation Services.** Provider shall schedule, supervise, and coordinate the operations of all subcontractors for the performance of Installation Services involving construction. No subcontracting of any Installation Services involving construction shall relieve Provider from its responsibility for the performance of such Services in accordance with the Agreement or any other obligations of the Agreement.

### 23. **Indemnification.**

- a. To the fullest extent permitted by law and subject to the conditions of Terms and Conditions Sections 16 and 17 and this **Section 23** of Exhibit 2C, the Provider shall defend, indemnify, and hold harmless the Customer, KWRL, and the directors, officers, employees, agents, and consultants of any of them, and the successors and assigns of any of them (“**District Indemnified Parties**”) from and against all claims, damages, losses, and expenses, direct and indirect, or consequential, including but not limited to costs, design professional and consultant fees, and attorneys’ fees incurred on such claims and in proving the right to indemnification (“**Legal Claims**”), arising out of or resulting from performance of Installation Services, provided that such Legal Claim is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Installation Services itself), or to a determination by a Government Authority that the performance of the Installation Services did not comply with Title 39 RCW or other applicable Washington law, but only to the extent caused by the intentional or negligent acts or omissions of the Provider, a subcontractor of any tier, their agents, or anyone directly or indirectly employed by them, or anyone for whose acts they may be liable (“**Highland Indemnitor**”), regardless of whether or not such Legal Claim is caused in part by a party indemnified hereunder.
  - i. The Provider shall fully defend, indemnify, and hold harmless the District Indemnified Parties for the sole negligence of the Highland Indemnitor.
  - ii. If such Legal Claims are caused by or are resulting from the sole negligence of the District Indemnified Parties or their agents or employees, then the Provider shall have no duty to defend, indemnify, and hold harmless the District Indemnified Parties.
  - iii. If such claims are caused by or are resulting from the concurrent negligence of (A) the District Indemnified Parties or the District Indemnified Parties’ agents or employees, and (B) the Provider or the Provider’s agents or employees, then the Provider shall be obligated to defend, indemnify, and hold harmless the District Indemnified Parties only to the extent of the Highland Indemnitor’s negligence.
- b. The Provider agrees to being added by the Customer as a party to any arbitration or litigation with third parties in which the Customer alleges under this **Section 23** indemnification or contribution from the Provider, any of its subcontractors of any tier, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable. The Provider agrees that all of its subcontractors of any tier shall, in their subcontracts, similarly stipulate; in the event any does not, the Provider shall be liable in place of such subcontractor(s) of any tier.
- c. To the extent any portion of this **Section 23** of Exhibit 2C is stricken by a court of competent jurisdiction for any reason, all remaining provisions shall retain their vitality and effect.
- d. The obligations of the Provider under this **Section 23** of Exhibit 2C shall not be construed to negate, abridge, or otherwise reduce any other right or obligations of indemnity which would otherwise exist as to any party or person described in this section. To the extent the wording of this **Section 23** would reduce or eliminate an available insurance coverage of the Provider or the Customer, this **Section 23** shall be considered modified

to the extent that such insurance coverage is not affected.

- e. In claims against any person or entity indemnified under this **Section 23** of Exhibit 2C by an employee of the Provider, a subcontractor of any tier, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, the indemnification obligation under **Section 23** shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for the Provider or a subcontractor of any tier under workers' compensation acts, disability benefit acts, or other employee benefit acts. After mutual negotiation of the parties, the Provider waives immunity as to the Customer and its consultants only under Title 51 RCW ("Industrial Insurance)."
  - f. Provider shall immediately report to the Customer any failure by the Provider, a subcontractor of any tier, or any third party observed by the Provider to comply with applicable laws, regulations, or ordinances while performing the Installation Services upon Premises, including, but not limited to, those related to environmental compliance, spills, unauthorized fill in waters of the State (including wetlands), water quality standards, noise, and air quality.
24. **Provider's Insurance.** During the performance of the Services, Provider shall maintain in full force and effect that liability insurance described in Terms and Conditions Section 13(c).
25. **Public Records Act Compliance.** Provider understands that the Customer is bound by the Washington Public Records Act, Chapter 42.56 RCW. The Provider agrees to reasonably cooperate with the Customer in responding to public records requests. The Provider shall promptly provide such records to the Customer as requested by the Customer or required by law for the Customer to fulfill its obligations in responding to public records requests. Such records shall be provided at no cost to the Customer. The Provider shall cause any subcontract for the provision of Installation Services to contain substantially this provision. This section shall survive expiration or termination of this Agreement for any reason.
26. **Applicability of Certain Provisions.** Sections 11-17, 19, and 21, and 25 of this **Exhibit 2C** apply to performance of all Services by Provider under this Agreement, including those that do not constitute Installation Services.
27. **Lease.** Beginning on the Effective Date, Customer and Provider will enter into good faith negotiations of a lease for portions of each of the Clark Depot Premises and the Cowlitz Depot Premises substantially in the form of Schedule 2C-I (each, a "**Lease**"); and the execution of a Lease by Customer or KWRL, as applicable, and Provider no later than ninety (90) days after the Effective Date is a "Condition Precedent," as defined in Terms and Conditions Section 4(a). If such Condition Precedent is not satisfied and achieved in accordance with this Section, the Parties shall have the rights and responsibilities with respect thereto under Terms and Conditions Section 4(a).
28. **Vehicle Battery Services.** Notwithstanding any other provision of this Agreement to the contrary, including Terms and Conditions Section 10(b), the Provider's obligation to reimburse Customer for Repair Work with respect to the propulsion battery in each Vehicle ("**EV Battery**") shall be subject to, and in accordance with, this **Section 28**.
- a. On or before the Operational Date, the Customer will procure a full electric power train OEM Warranty (the "**Battery Warranty**") for the EV Battery of each Vehicle, which Battery Warranty will be effective during the period ("**Battery Warranty Period**") beginning the date the applicable Vehicle first is operational through, at least, the eighth anniversary of such operational date. During the Battery Warranty Period, Customer shall rely on the Battery Warranty to reimburse Customer or pay for EV Battery repairs or replacements, and Provider shall have no liability for such repairs or replacements, except to the extent the repairs or replacements are due to the fault of Provider or except to the extent of Provider's responsibility to consult with Customer with respect to such EV Battery Repair Work.
  - b. So long as Customer operates each Vehicle throughout the Term in accordance with the requirements of this Agreement, including Prudent Vehicle Practices and, among other things, performs or has performed all replacements and repairs of the electric power train, including the EV Battery, of each Vehicle required through the expiration or termination of the Battery Warranty Period, then during the period ("**Provider**

**Warranty Period**”) beginning the day after the last day of the Battery Warranty Period through the last day of the Initial Term, to the extent the EV Battery of a Vehicle requires repair or replacement because such EV Battery is not operational or is operational at less than 70% efficiency, then Provider shall reimburse Customer for the reasonable, out-of-pocket costs (excluding towing above the Towing Cap) incurred by Customer to repair or replace such EV Battery.

- c. Provider’s reimbursement obligation pursuant to subclause (b) is expressly conditioned on the following: (i) the issue with the EV Battery is not caused by misuse by Customer, its Drivers, or its agents, including the failure of any of them to operate or repair the underlying Vehicle consistent with Prudent Vehicle Practices; (ii) Customer advises Provider in advance of undertaking any EV Battery repair or replacement that is subject to reimbursement; (iii) Customer follows Provider’s reasonable advice with respect to the performance of any EV Battery Repair Work, including the selection of an EV Battery service provider, both during and prior to the Provider Warranty Period; and (iv) Customer uses commercially reasonable efforts to minimize the costs of any EV Battery Repair Work subject to reimbursement.
- d. Customer shall submit an invoice to Provider for the cost of EV Battery Repair Work subject to reimbursement under this Section, together with all documentation relating to such EV Battery Repair Work, and absent any good faith objections to the invoice and related documentation, Provider shall remit payment to Customer within forty-five (45) days of receipt of such invoice.
- e. Provider shall only reimburse Customer for, or pay directly for, the replacement of the EV Battery of each Vehicle once; subsequent EV Battery Repair Work needs shall be the sole responsibility of Customer.
- f. The Parties shall make good faith efforts to resolve any claim, dispute, or controversy arising out of or relating to any EV Battery repair or replacement or the reimbursement or payment therefor by Provider, as contemplated by this **Section 28** (each a “**Dispute**”) in accordance with this provision. In the event that either Customer or Provider concludes, after making a good faith effort to resolve a Dispute in the normal course of business, that such Dispute cannot be resolved informally between their respective representatives within twenty (20) days, then the aggrieved Party shall have the right to initiate the processes identified in this **Section 28(f)**. If the Dispute has not been resolved by the Parties’ respective representatives within twenty (20) days, then either Customer or Provider shall have the right to give the other written notice of its request to have the Dispute heard by a senior executive of their respective organizations. Each Party shall identify in writing a senior executive(s) who shall have the responsibility and authority to negotiate on behalf of the Parties under this Section. Unless extended by written agreement between the senior executives, this process must occur within seven (7) days after the written notice requesting negotiations under this subsection. If the Dispute has not been resolved pursuant to the aforesaid procedure within the indicated timeframe, then either Customer or Provider may, by notice to the other, submit the dispute to judicial resolution, subject to the venue requirements set forth in Scope of Services Section 14.

29. **Time of Use Fees; Excess Mileage Fees.** The Parties acknowledge and agree that the Excess Mileage Fee and the Time of Use Fee are intended to induce favorable behaviors by the Customer with respect to the Vehicles and the System and not to punish Customer. Notwithstanding the accrual of any Excess Mileage Fees or Time of Use Fee as contemplated by Scope of Services Section 10(c), or the processes for payment thereof pursuant to the Terms and Conditions:

- a. *Time of Use Fee and Excess Mileage Fee Grace Period.* No Time of Use Fee will accrue or be payable during the first ninety (90) days after the Operational Date.
- b. *Excess Mileage Fee Averaging; Limitation.* No Excess Mileage Fee shall be payable in any Contract Year with respect to any Vehicle if: (i) the Customer rotates the Vehicle to another route or routes for the ensuing Contract Year; and (ii) the average total mileage of the Vehicle over both Contract Years does not exceed the Annual Mileage Allowance; provided, however, that when measuring a Vehicle’s mileage for the final Contract Year of the Initial Term, the average shall be calculated with respect to the final Contract Year and the preceding Contract Year. To the extent that, notwithstanding the averaging in the preceding sentence, the total average mileage of a Vehicle measured over a two-Contract Year period exceeds the Annual Mileage Allowance, the Excess Mileage Fee shall be due only for the second of the two

measurement Contract Years and then shall be payable only to the extent the second year mileage of the Vehicle exceeds the Annual Mileage Cap by more than five percent (5%).

- c. *Excess Mileage Fee Billing and Payment.* To the extent Provider determines that any Excess Mileage Fees are due for any Vehicle for any Contract Year based on the averaging contemplated by this Section, then within ninety (90) days after the last day of such Contract Year, Provider will deliver to Customer a written statement of the Excess Mileage Fees due together the basis therefor. Within thirty (30) days after receipt of a statement of Excess Mileage Fees due, Customer will pay to Provider the undisputed amount of Excess Mileage Fees due as detailed in such Provider statement, and, if Customer does not pay the full amount of Excess Mileage Fees set forth in the Provider statement, Customer will also deliver to Provider a written objection notice detailing the good faith basis for Customer's objection to the Provider statement of Excess Mileage Fees due. If the Customer timely delivers an objection notice pursuant to the preceding sentence, a "Dispute" will exist within the meaning of **Section 28(f)**, and the Parties will follow the process for resolution of such Dispute set forth in **Section 28(f)**.

30. **Additional Incentives.** The Contract Price has been established taking into account the award on or before December 15, 2024 and the payment within six months after award of the **Washington State Clean Diesel Program: Ecology's Electric School Bus Grant ("WSCD Program Grant")** in the amounts and as a Customer Incentive or an Existing Incentive as provided in this **Section 30**. Any WSCD Program Grant award or payment in any amount or outside of the time period contemplated by the preceding sentence, or, without limitation, the absence of a timely award or payment of a WSCD Program Grant as an Existing Incentive in the amount of at least \$500,000, shall be a failure of a "Condition Precedent" within the meaning of Terms and Conditions Section 4(a), whereupon, the Parties will have the rights and will be subject to the obligations set forth in Terms and Conditions Section 4(a). Without limiting the rights of the Parties to negotiate or take other action upon failure of the WSCD Program Grant Condition Precedent, the Provider anticipates that, if the WSCD Program Grant that is an Existing Incentive is not timely awarded or paid in the amount of at least \$500,000, Base Service Fee per Vehicle for the first Contract Year would be increased to **\$19,500.00**.

- a. **WSCD Program Grant in the amount of \$239,375 per Vehicle, for the purchase of 10 Vehicles** – This is a "Customer Incentive" and would be awarded and payable to Customer as awardee in its entirety.
- b. **WSCD Program Grant in the amount of \$500,000 to pay for some of the costs of procurement and installation of the System at the Premises.** This is an "Existing Incentive" and would be awarded and payable to Customer as awardee, with Customer paying such awarded funds to Provider in their entirety. Provider shall use the funds so paid exclusively to pay for procurement and installation of the System at the Premises.

Each of the Customer and Provider will take such actions and will execute and deliver such documents as may be reasonable to assure that the WSCD Program Grant is awarded and paid as soon as possible after the Effective Date. Upon receipt of all or any portion of the WSCD Program Grant that is also an Existing Incentive by the Customer, Customer will provide notice thereof to Provider (no later than five (5) days after receipt of funds) and will pay and tender the amount of such portion of the WSCD Program Grant so paid to Customer, without offset or deduction (no later than thirty (30) days after receipt of funds), in fulfillment of the requirements of this Agreement that all Existing Incentives will be for the benefit of Provider.

31. **IRA 45W Tax Credit.** From and after the Effective Date through the second anniversary of the Operational Date, Provider and Customer shall use reasonable efforts to enable Customer to claim and receive the maximum amount of available 45W Tax Credits (up to \$40,000.00/Vehicle) for the Vehicles under the direct pay option made available under the IRA. Customer and Provider acknowledge and agree that the application of the EPA CSB Incentive and other grants or benefits available to the Customer for acquisition of the Vehicles toward the purchase prices of the Vehicles may reduce the Customer's basis in the Vehicles to \$0, resulting in no 45W Tax Credit for the Vehicles under applicable law.

32. **Cowlitz Depot Lighting.** If requested by the Customer, the Provider and Customer will negotiate in good faith one or more change orders or amendments to this Agreement to enable the installation of lighting at the Cowlitz Depot as part of the Installation Service.

33. **Carbon Credits.** To the extent carbon credits are available with respect to the operation of the Vehicles or the System, all such carbon credits will be for the benefit of the Customer; and the Parties will use commercially reasonable efforts to enable the Customer to secure the highest level of carbon credits under the State of Washington fuel standard program or other applicable carbon credit program.
34. **OEM Warranty Management.** If any OEM Warranty, including any Battery Warranty, applies to or would cover any Repair Work subject to reimbursement under this Agreement, without limiting Terms and Conditions Section 10(b), Customer shall: (a) provide to Provider access to all information in Customer's possession or control relevant to such OEM Warranty and the related Repair Work, (b) timely prepare and submit (in coordination with Provider) to the applicable OEM or its designee all information and reports required necessary to secure coverage under the applicable OEM Warranty for such Repair Work, and (c) upon Provider's reasonable request, execute and deliver such documents and implement such access to OEM systems as necessary or advisable, in Provider's reasonable discretion, to enable Provider to enforce any OEM Warranty claim and monitor any OEM Warranty coverage and payment. Provider shall have the right to decline to reimburse Customer for the cost Repair Work to the extent that, but for Customer's failure to comply with this **Section 34** and with Section 10(b) of the Terms and Conditions, such cost would have been covered and paid pursuant to an applicable OEM Warranty.
35. **Provider Representatives.** On or before the Operational Date, Provider will deliver to Customer a written notice detailing the name and contact details for the Provider's dedicated Customer Success Manager for all troubleshooting and maintenance concerns with respect to the System and the name and contact details of the Charger Technician (together with the Customer Success Manager, the "**Provider Representatives**") who will be available to provide technical assistance with respect to the Chargers. From time to time during the Term, Provider may change the name and contact information for the Provider Representatives effective upon delivery of written notice to the Customer.

<<<End of Part 2, Exhibit 2C>>>

**Schedule 2C-I  
Form of Lease Agreement (Cowlitz Depot)**

**LEASE AGREEMENT**

THIS LEASE AGREEMENT (“Lease Agreement”), dated for reference purposes **DATE**, 2024 (“Effective Date”), is made by and between the Woodland School District No. 404, a Washington quasi-municipal corporation (“Lessor”), and HEF-P Woodland, LLC, a Delaware limited liability company (“Lessee”).

WHEREAS, the Lessor owns certain improved real property commonly known as 989 Frazier Lane, Woodland, Washington 98674, Cowlitz County Parcel No. 5048201 (the “Property”), as legally described in Exhibit “A,” which is incorporated herein by this reference;

WHEREAS, the Property contains, *inter alia*, parking for school buses utilized by the Kalama-Woodland-Ridgefield-La Center Transportation Cooperative (“KWRL”);

WHEREAS, the Lessor’s Board of Directors on **DATE**, 2024, by Resolution No. **INSERT** declared that portions of the Property are surplus to the needs of the Lessor;

WHEREAS, RCW 28A.335.040 authorizes the Lessor to rent or lease surplus real property;

WHEREAS, the Lessee desires to lease certain surplus portions of the Property for purposes of offering vehicle electrification services as described in the Transportation Equipment Services Agreement (“TESA”) executed by the parties to this Lease Agreement dated **DATE**, 2024, a copy of which is incorporated herein as Exhibit “C;” and

WHEREAS, pursuant to the TESA, the Lessee is to be granted rights to access and use the Premises (defined herein) to install, access, maintain, repair, replace, and remove certain electrical charging equipment, related infrastructure, and related equipment (the “System”) pursuant to and to the extent provided in the TESA and to access the System via ingress to, egress from, and access on, over, and under the Property and the Premises for purposes of performing Lessee’s obligations and exercising Lessee’s rights under the TESA.

NOW, THEREFORE, in consideration of the covenants and agreements set forth below, the parties agree as follows:

1. Premises. The Recitals stated above are incorporated herein to the same extent as if fully set forth herein. The Lessor hereby leases to the Lessee, and the Lessee takes and leases from the Lessor, a portion of the Property consisting of approximately **NUMBER** square feet, as depicted in Exhibit “B,” which is incorporated herein by this reference (the “Leased Premises”).
2. Use. The purpose of this Lease Agreement is to allow the Lessee to use the Leased Premises to make those improvements, store such System personal property, and offer those services consistent with the TESA. No other use of the Leased Premises may be made without the prior consent of the Lessor.

3. Term. The term of this Agreement (the “Term”) will commence on the Effective Date and continue until ninety (90) days following the expiration or earlier termination of the TESA. Except in the event of a relocation of the System in accordance with the TESA, this Agreement will not be terminated prior to the termination or expiration of the TESA in accordance with its terms, either as a remedy, an election, or otherwise, except as provided in Section 3.1, below. Lessee agrees to notify Lessor when the TESA has expired or is terminated.
  - 3.1 Recapture by Lessor. The Lessee recognizes that the Lessor is bound by the provisions of RCW 28A.335.040 regarding the use of surplus school property of the Lessor should such property be needed for school purposes in the future. In the event that the Lessor’s Board of Directors determines that the Leased Premises becomes needed for school purposes during the term of this Lease Agreement and that recapture is necessary, this Lease Agreement will terminate upon one-hundred twenty (120) days’ notice to the Lessee of the Board of Director’s determination. In the event of such recapture, the Lessor will be responsible for the reasonable costs of removing any electric vehicle charging equipment owed by Lessee or its affiliate located upon the Leased Premises, including labor and costs of transportation of said equipment to a location no more than fifty (50) miles from the Leased Premises.
4. Rent. The consideration provided by Lessee consists of the services that it is obligated to provide to Lessor under the TESA, therefore no rent will be due under this Lease Agreement.
5. Utilities and Service. Subject to Section 26.3, below, the Lessor will arrange for provision of the following utilities serving the Leased Premises: electricity. Lessee will be responsible for the costs of electricity used upon the premises for the charging of electric vehicles, as provided in the TESA.
6. Condition of Leased Premises. The Lessee has examined and knows the condition of the Property and the Leased Premises and accepts the Leased Premises in their present condition. It is understood and agreed that the Lessor will not be obligated to make any improvements to the Property or Leased Premises during the Term of this Lease Agreement except if specified in this Lease Agreement. The Lessor makes no warranties as to the condition of the Leased Premises or its suitability for the Lessee’s purposes.
7. Maintenance.
  - 7.1 The Lessee will, throughout the Term of this Lease Agreement, and without cost or expense to the Lessor, keep the Leased Premises in neat, clean, and sanitary condition and maintain the Leased Premises and any improvements, landscaping, fixtures, and equipment that may now or hereafter exist thereon in good order and repair, including but not limited to insect and other pest control. The Lessee will comply with all applicable building and safety codes.

- 7.2 If, after five (5) days' notice from the Lessor, the Lessee fails or elects not to maintain or repair any part of the Leased Premises or any improvement, landscape, fixture, or equipment thereon, the Lessor will enter upon the Leased Premises and perform such maintenance or repair using its own or contracted personnel. In that event, the Lessee will pay the reasonable costs of labor and materials actually incurred by the Lessor for the maintenance or repair within thirty (30) days of receiving an invoice from the Lessor showing the itemized costs.
- 7.3 If a director, officer, employee, agent, contractor, subcontractor, or invitee of the Lessee causes damage to those portions of the Property not included in the Leased Premises, the Lessor may demand that the Lessee reimburse the Lessor for the actual and reasonable costs of the labor and materials necessary to repair the damage. For purposes of this section, "damage" means documented physical damage beyond normal wear and tear, directly attributable to the sole actions of a director, officer, employee, agent, contractor, subcontractor, or invitee of Lessee. The Lessor bears the burden of documenting and attributing any such damage.

8. Alterations.

- 8.1 Lessee may make those improvements to the Leased Premises specified in the TESA. The Lessee will not otherwise make any alterations or improvements to or upon the Leased Premises, or install any fixtures (other than trade fixtures that can be removed without injury to the Leased Premises) without first obtaining the written consent of the Lessor.
- 8.2 The Lessee will promptly remove, if the Lessor so elects and notifies the Lessee in writing thirty (30) days prior to termination of this Lease Agreement, any alterations, additions, and improvements and any other property placed in or upon the Leased Premises by the Lessee that the Lessor wants removed. The Lessee will repair any damage caused by such removal at its expense unless otherwise specified in the TESA.
- 8.3 During the term of this Lease Agreement, the Lessor may make any alterations to the Property or Leased Premises that it deems necessary or appropriate, provided that such alterations do not interfere with the rights or responsibilities of either party under the TESA. The Lessor will notify the Lessee in writing thirty (30) days prior to commencing such alterations.

9. Assignment or Subletting. The Lessee will not assign this Lease Agreement or sublet any portion of the Leased Premises without prior written consent of the Lessor. Any such assignment or subletting without consent will be void, and the Lessor may, upon notice of such assignment or subletting, terminate this Lease Agreement at its option. This Section 9 of the Lease Agreement does not prohibit the Lessee from using the services of contractors or subcontractors to carry out improvements or services consistent with the TESA.

10. Compliance with Laws and Regulations. In possessing and using the Leased Premises, the Lessee will comply with all applicable laws, ordinances, and regulations from any and all authorities having jurisdiction and will promptly comply with all governmental orders and directives for the correction, prevention, and abatement of nuisance in, upon, or connected with the use of the Leased Premises.
11. Leasehold Excise Tax. In the event that the Lessee does not qualify as a tax-exempt entity for purposes of Chapter 82.29A RCW, the Lessee agrees to pay any leasehold excise tax due pursuant to state law. The Lessee will remit such tax payments to the Lessor, which will remit them to the Washington State Department of Revenue as required by law. All other taxes imposed upon the Property or arising from lease of the Leased Premises will be the responsibility of the Lessor.
12. Encumbrances. The Lessee will not allow encumbrances to be placed against the Leased Premises and will hold the Lessor harmless from any material, labor, or other lien placed on said Leased Premises as a result of the Lessee's use thereof.
13. Waste and Quiet Enjoyment. The Lessee will not commit or suffer any waste upon the Leased Premises, or disturb the quiet enjoyment of any other occupants of the Property by making or suffering any nuisance, undue noise, or otherwise, and will not do or permit to be done in or about the Leased Premises anything which is unlawful, dangerous, or which will increase any insurance rate upon the Leased Premises or the Property. Upon the timely payment by the Lessee of the amounts required herein, and upon the observance and performance of all terms, provisions, covenants, and conditions on the Lessee's part to be observed and performed, the Lessee will, subject to all of the terms, provisions, covenants, and conditions of this Lease Agreement, peaceably and quietly hold and enjoy the Leased Premises for the entire term of this Lease Agreement without hindrance or molestation from all persons claiming by, through, or under the Lessor.
14. Hazardous Materials. The Lessee will not use, store, or dispose of any hazardous substances upon the Leased Premises, except as customarily used in the Lessee's business and such use and storage complies with all environmental laws. Hazardous substance means any hazardous waste, substance, or toxic materials regulated under any environmental laws or regulations applicable to the Leased Premises.
15. Lessor's Right of Entry and Inspection. The Lessee will permit the Lessor and its directors, officers, employees, agents, contractors, and subcontractors to enter upon the Leased Premises for the purposes of charging electric vehicles, doing such other things consistent with the TESA, conducting activities permissible under this Lease Agreement, and inspecting the Leased Premises. Further, the Lessee will permit the Lessor's contractors or subcontractors to enter upon the Leased Premises at reasonable times and upon reasonable notice for the purposes of conducting construction activities should the Lessor remodel other portions of the Property.
16. Default.

- 16.1 If, in the judgment of the Lessor, the Lessee fails in any duty required by this Lease Agreement, the Lessee will be given notice of the specific deficiency and provided a ninety (90) day opportunity to cure such deficiency to the reasonable satisfaction of the Lessor. However, if such deficiency cannot be reasonably remedied within the ninety (90) day period, this requirement will be satisfied if the Lessee begins correction of the failure within the ninety (90) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable, but in no event more than one-hundred and twenty (120) days after the Lessor's notice.
- 16.2 If a default occurs hereunder and is not cured within the period specified in Section 16.1, the Lessor may exercise any and all remedies herein provided or otherwise provided by law. Without limiting any other rights or remedies hereunder, the Lessor may terminate this Lease Agreement upon thirty (30) days' written notice to the Lessee, and it may enter into and take possession of the Leased Premises by any and all lawful means.
17. Security Deposit. A security deposit will not be required.
18. Possession. If the Lessee accepts possession prior to the time of the commencement of the term of the Lease Agreement, both parties agree to be bound by all the provisions and obligation of this Lease Agreement during the prior period.
19. Relationship of the Parties. No director, officer, employee, agent, contractor, subcontractor, or representative of either party will be deemed to be an employee, agent, servant, or representative of the other party for any purpose. Each party will be solely and entirely responsible for its acts and for the acts of its directors, officers, employees, agents, contractors, subcontractors, and representatives during the performance of this Lease Agreement.
20. Insurance.
- 20.1 The Lessee will secure and maintain continuously at its own expense until the end of the Lease Agreement comprehensive general-liability insurance on the Leased Premises for bodily injury and property damage liability in amounts of not less than: \$1,000,000 for each person, personal injury; \$3,000,000 for each occurrence, personal injury; \$500,000 for each occurrence, property damage; and fire and casualty insurance for the full replacement value of the Leased Premises. The Lessee will furnish the Lessor with a certificate of insurance on or before the beginning of this Lease Agreement that specifies said coverage as described above. Such insurance will be on an occurrence basis.
- 20.2 The Lessee agrees to provide the Lessor with thirty (30) days' prior notice if any changes to such insurance are made during the term of the Lease Agreement. The Lessee will not reduce or cancel such insurance without such notice and without first obtaining other insurance coverage in compliance with this Lease Agreement.

- 20.3 The Lessee will have the sole responsibility for and will pay for any insurance maintained by it on its personal property kept at the Leased Premises.
21. Catastrophic Loss.
- 21.1 In the event that the Leased Premises is destroyed or becomes totally or partially unusable because of fire, flood, earthquake, or other casualty, the Lessee will replace and/or repair the Leased Premises, with the cost and expense born equally by the parties.
- 21.2 If the Lessee is required to replace or repair the Leased Premises to its previous standard under Section 22.1 but fails to do so within a six (6) month period, the Lessor may, without waiving any rights under this Lease Agreement, terminate this Lease Agreement.
22. Condemnation. In the event the Leased Premises or a portion thereof is appropriated under the laws of eminent domain by a government entity other than the Lessor so as to render it unsuitable for the purposes stated herein, this Lease Agreement will terminate. If only a portion of the Leased Premises is so taken and the remaining portion is suitable for the Lessee's use, the Lease Agreement will continue in force. All damages awarded in any eminent domain proceedings will go to the Lessor, and the Lessee will have no right, title, or interest therein.
23. Surrender of Leased Premises. Except as expressly provided herein, this Lease Agreement will not continue beyond the Term. Upon expiration or sooner termination of the Lease Agreement, the Lessee will forthwith return the Leased Premises in as good a condition as existed at the commencement of occupancy. On or before the date of termination, the Lessee will remove all furniture, equipment, supplies, and other materials owned and controlled by the Lessee.
24. Holding Over. Any holding over after the expiration of this Lease Agreement, with the consent of the Lessor, will be construed as a month-to-month tenancy otherwise in accordance with the terms hereof, as applicable. Monthly rent for any period of holding over will be Five-Thousand Dollars (\$5,000), due no later than the first day of each month.
25. Attorney Fees and Costs. If any legal proceeding is brought for the enforcement of this Lease Agreement, because of a dispute, breach, default, or misrepresentation in connection with any of the provisions of this Lease Agreement, or due to reentering or regaining possession of the Leased Premises, the prevailing party will be entitled to recover from the other party, in addition to any other relief to which such party may be entitled, reasonable attorney fees and other costs incurred in that action or proceeding.
26. General Provisions.
- 26.1 Notices. All official notices required under this Lease Agreement will be: (a) personally delivered with a written receipt of delivery; (b) sent by a nationally recognized overnight delivery service requiring a written acknowledgement of receipt or providing a certification of delivery or attempted delivery; (c) sent by

certified or registered mail; or (d) sent by PDF or email with an original copy thereof transmitted to the recipient by one of the means described in subsections (a)-(c). All notices will be deemed effective when actually delivered as documented in a delivery receipt; provided, however, that if the notice was sent by overnight delivery service or certified or registered mail and is affirmatively refused or cannot be delivered during customary business hours by reason of the absence of a signatory to acknowledge receipt, or by reason of a change of address with respect to which the addressor did not have either knowledge or written notice delivered in accordance with this section, then the first attempted delivery will be deemed to constitute delivery; and further provided, that notices given by PDF or email will be deemed given when sent as shown by a “delivery” receipt (rather than a “read” receipt). Each party will be entitled to change its addressee and/or address for notices from time to time by delivering to the other party notice thereof in the manner herein provided for the delivery of notices. All notices will be sent to the addressee at its address below:

**Lessor**  
Shannon Barnett  
Transportation Director  
989 Frazier Lane  
Woodland, Washington  
Phone: (360) 841-2023  
[barnetts@kwirl.org](mailto:barnetts@kwirl.org)

**Lessee**  
NAME  
TITLE  
ADDRESS LINE 1  
ADDRESS LINE 2  
Phone: INSERT  
EMAIL

- 26.2 Ownership of System. Title to the System will be held during the Term by Lessee (or Lessee’s designee, including any Financing Party (as defined in the TESA)), and any alterations, additions, or improvements made thereto by Lessee during the Term will remain the personal property of Lessee or Lessee’s designee (such personal property and improvements, collectively, “Lessee Property”). In no event will any Lessee Property be deemed a fixture, nor will Lessor or Landlord (as defined in the TESA) have any rights in or to the Lessee Property at any time except as otherwise provided herein or in the TESA. No intellectual property or other ownership rights related to the Lessee Property will be transferred to Lessor or any other person, including Landlord, by virtue of this Lease Agreement.
- 26.3 Electricity. Lessor will cooperate with Lessee in obtaining electricity and any other utilities necessary to operate the System on the Premises, including by granting, or causing Landlord to grant, appropriate easements to local utility providers; provided, however, that Lessor is not required to pay money to accomplish the provision of those utilities. For any out-of-pocket costs incurred by Lessor that are approved by Lessee, Lessee will reimburse Lessor for such amounts.
- 26.4 Entire Agreement. This Lease Agreement constitutes the entire agreement between the parties and supersedes any and all prior oral or written agreements, commitments, or understandings concerning the matters provided for herein. No

other understandings, oral or otherwise, regarding the subject matter of this Lease Agreement will be deemed to exist or to bind any of the parties hereto.

- 26.5 Modification. The parties may modify this Lease Agreement only by a subsequent written agreement executed by the authorized representatives of the parties.
- 26.6 Survival. The Lessor and the Lessee expressly intend and agree that the terms of Sections 25-26 of this Lease Agreement will survive the termination or expiration of this Lease Agreement for any reason.
- 26.7 Successors and Assigns. The terms, conditions, and covenants contained in this Lease Agreement will apply to, inure to the benefit of, and be binding upon the parties hereto and their respective successors in interest and legal representatives except as otherwise herein expressly provided. All rights, powers, privileges, immunities, and duties of the Lessor under this Lease Agreement, including but not limited to any notices required or permitted to be delivered by the Lessor to the Lessee hereunder, may, at the Lessor's option, be exercised or performed by the Lessor's agent or attorney.
- 26.8 Severability. If any provision of this Lease Agreement will be held wholly or partially invalid or unenforceable under applicable law, such invalidity will not affect the other provisions of this Lease Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Lease Agreement. To this end, the provisions of this Lease Agreement are declared to be severable.
- 26.9 No Waiver. A failure by either party to exercise its rights under this Lease Agreement will not preclude that party from subsequent exercise of such rights and will not constitute a waiver of any other rights under this Lease Agreement unless stated as such in a writing signed by an authorized representative of the party and attached to this Lease Agreement.
- 26.10 Governing Law and Venue. This Lease Agreement will be governed, construed, and enforced in accordance with the laws of the State of Washington, and venue of any suit between the parties arising out of this Lease Agreement will be in the Superior Court of Cowlitz County, Washington.
- 26.11 No Third-Party Beneficiaries. This Lease Agreement does not create, invest, or provide, and is not intended to create, invest, or provide, any rights or remedies to any non-parties to this Lease Agreement.
- 26.12 Headings. Headings in this Lease Agreement are included only for convenience and will not control or affect the meaning or construction of this Lease Agreement.
- 26.13 Counterparts. This Lease Agreement may be executed in a number of counterparts, including facsimile or electronically scanned counterparts, each of which will be deemed to be an original for all purposes and all of which counterparts, taken together, will constitute one agreement.

IN WITNESS WHEREOF, the Lessor and the Lessee have executed this Lease Agreement as of the dates indicated below.

**WOODLAND SCHOOL DISTRICT  
NO. 404**

**HEF-P WOODLAND, LLC**

\_\_\_\_\_  
Asha Riley, Superintendent

\_\_\_\_\_  
NAME, TITLE

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**ACKNOWLEDGEMENTS**

STATE OF WASHINGTON )

) ss

COUNTY OF KITSAP )

I certify that I know or have satisfactory evidence that Asha Riley is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument, and acknowledged it as the Superintendent and Secretary of the Board of Directors of Woodland School District No. 404, a Washington quasi-municipal corporation, to be a free and voluntary act of said District for uses and purposes mentioned in the instrument.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Notary Public in and for the State of Washington

My appointment expires: \_\_\_\_\_

STATE OF WASHINGTON )

) ss

COUNTY OF KITSAP )

I certify that I know or have satisfactory evidence that **NAME** is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument, and acknowledged it as the **TITLE** of HEF-P Woodland LLC, a Delaware limited liability company, to be a free and voluntary act of said company for uses and purposes mentioned in the instrument.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Notary Public in and for the State of Washington

My appointment expires: \_\_\_\_\_

**Exhibit A**

**DISTRICT TO INSERT LEGAL DESCRIPTION OF PROPERTY**

**Exhibit B**

**PARTIES TO INSERT DIAGRAM OF LEASED PREMISES (CONSISTENT WITH TESA)**



**Exhibit C**

**PARTIES TO ATTACH COPY OF EXECUTED TESA HERE**