

Customer Quotation

ERL Phase Quote # 20002898
Quote Date (M.D.Y) AUG.10.2017
Valid Date (M.D.Y) AUG.10.2020
Sales Manager Gibson, Craig P.
Phone No/ E-mail 214-930-5906 /Cgibson@erlphase.com



ERLPhase Power Technologies Ltd.
74 Scurfield Blvd.
Winnipeg, MB R3Y 1G4
Tel: 204-477-0591
Fax: 204-478-1697
www.erlphase.com

Quotation To 500766

Denton Municipal Electric
1671 Spencer Road
DENTON TX 76205
USA

Payment and Shipping Information

Payment Terms : Net 30 Days

Delivery Terms : DDP, Denton, TX

Shipment Date : 4-6 Weeks ARO

Customer Contact Information

Requested By : Mark Zimmerer

Phone : 940-349-7169

Email : Mark.Zimmerer@cityofdenton.com

End User Name: Denton Municipal Electric
End User Substation:
Customer Enq.Number: Email 10/08/2017

Pos.	Item.No	Material	Qty	Unit Price USD	Unit Discount	Net Price USD
10	113931	TESLA 4000 (36-16P-0-2-60-0-0) 36 AI, 64 DI, 8 DO 16P: 16GB w/ PMU No Internal Modem 2: Ethernet 401=Cu, 402=Cu 60: 60 Hz 0: Not CE Marked 0: Not conformal coated	11 EA	21,106.00		232,166.00
20	114154	MDL 401026, PT Module, DIN	47 EA	323.00		15,181.00
30	101783	5A Split Core CT, Mdl 401013 The Split Core CT works in conjunction with the TESLA disturbance fault recorder to monitor secondary currents.	232 EA	137.00		31,784.00
40	113834	Split Core End Mount Bracket	232 EA	15.00		3,480.00
50	109971	RecordBase CS - CD	1 EA	9,900.00		9,900.00
				Freight not included		705.00
				Total Quotation Value		293,216.00

Special Note

Please Include a reference to the ERLPhase Quote #: 20002898 on all Purchase Order.

Freight is included in Quotation, All applicable Taxes extra.

Should you wish to proceed with an order, we require a formal Purchase Order (PO) with all the required information as per the pre-order checklist below.

Additional Note

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"Please provide the following information on your purchase order"

1. Purchase Order Number
2. Company Name, Billing and Shipping Address
3. Contact Name, Phone, Email Address
4. Delivery Term (For collect shipments via any courier, provide account number)
5. Our Product Part Number and configuration
6. Unit Price USD / CAD and Total Price USD / CAD
7. Requested Ship Date
8. End user information: Company Name, Sub Station and Location

Payment Remittance Information

ERLPhase Power Technologies Ltd
74, Scurfield Blvd
Winnipeg MB
Canada R3Y 1G4
Phone: 204-477-0591
Fax : 204-478-1697

For ERLPHASE customer service and
product information please contact us
at
Phone: 204-477-0591
Fax : 204-478-1697
Email: info@erlphase.com

Warranty: Ten-Year Relay and Recorder limited warranty, refer to "ERLPHASE Relay & Recorder Standard Terms and Conditions" for details.

End of Quotation



ERLPhase Power Technologies Limited

STANDARD TERMS AND CONDITIONS

The following terms and conditions apply to all sales of goods, equipment, software or accessories (collectively, "Products"), by ERLPhase to the Purchaser. By placing its order for Products from ERLPhase, Purchaser agrees to be bound by the following terms. In the event of any conflict between the following terms and any terms in any purchaser order or other documentation originating with Purchaser, these Standard Terms and Conditions shall control unless expressly and specifically agreed to in writing by ERLPhase.

1. PRICE

All prices are firm and shall not be subject to change. The price will be based on Customer Order Confirmation. In the event of price reduction, all Products not shipped as of the effective date of the reduction (except shipment held by request of the Purchaser) will be invoiced at the reduced price. Goods already shipped are not subject to price reduction. Orders on a bid or contract basis are not subject to this clause.

2. TAXES

Any applicable duties or sales, use, excise, value-added or similar taxes will be the responsibility of Purchaser, and are added to the price and invoice separately (unless an acceptable exemption certificate is furnished).

3. TERMS OF PAYMENTS

All payments shall be in United States dollars (unless specifically mentioned in our customer order confirmation) and payment is due for all items upon shipment. For any orders involving a single price but multiple shipments, a pro rata payment, in an amount reasonably determined by ERLPhase, shall be due upon each shipment. Any amount which remains unpaid more than thirty days after it is due may, at the sole discretion of ERLPhase, bear interest at a rate of 1.5% per month.

4. DELIVERY AND PASSAGE OF TITLE

The term "shipment" means delivery to the initial carrier in accordance with the delivery terms of this Order. ERLPhase may make partial shipments. All shipments of Products shall be delivered DDP, jobsite, Denton, TX and title and liability for loss or damage thereto shall pass to Purchaser upon delivery of the Products to Purchaser, and any loss or damage thereto shall pass to the Purchaser upon delivery of the Products, and any loss or damage thereafter shall not relieve Purchaser from any obligation hereunder.

All delivery designations are INCOTERMS 2000.



ERLPhase Power Technologies Limited

5. DELAYED SHIPMENT & STORAGE

Any item of the Products on which manufacture or shipment is delayed by Purchaser or by causes which affect Purchaser's ability to receive the Products may be placed in storage by ERLPhase for Purchaser's account and risk, and Purchaser shall pay all charges for storage, trucking and other incidental expenses incurred by ERLPhase. In the event of delayed shipment, ERLPhase may invoice Purchaser upon completion of manufacture or upon date the Products would have been ready for shipment.

6. FORCE MAJEURE

If ERLPhase suffers delay in performance due to any cause beyond its reasonable control, including but not limited to act of God, act or failure to act of government, act or omission of Purchaser, war, fire, flood, strike or labor trouble, sabotage, or delay in obtaining from others suitable services, materials, components, equipment or transportation, the time of performance shall be extended for a period of time equal to the period of the delay and its consequences. ERLPhase will give to Purchaser notice in writing within a reasonable time after ERLPhase becomes aware of any such delay.

7. NON-CANCELLATION

Purchaser may not cancel or terminate for convenience, or direct suspension of manufacture, except with ERLPhase's written consent, which may be conditioned upon, at ERLPhase's discretion, payment of additional amounts to compensate ERLPhase for its engineering, fabrication and purchasing charges and any other costs relating to such cancellation, termination or suspension, plus a reasonable amount for profit.

8. GOODS RETURNED FOR CREDIT

ERLPhase will not accept Products for return unless an authorization for such return has been issued by ERLPhase in writing. Only Products currently manufactured by ERLPhase and invoiced within the preceding twelve month period will be considered for return. If ERLPhase's permission to return any Products is granted, the amount of credit will be governed by the facts in each case. Credit issued for any item not returned in its original crate or carton will be subject to a deduction to compensate for crate or carton replacement. Special Products fabricated to order are not returnable under any conditions.



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9. WARRANTY AND REMEDY

ERLPhase warrants that on the date of shipment to Purchaser any Products manufactured or created by ERLPhase will conform to ERLPhase's published written specifications for such Products as of the date of shipment. THIS WARRANTY CONSTITUTES THE ONLY WARRANTY OF ERLPHASE WITH RESPECT TO ANY PRODUCTS SUPPLIED BY ERLPHASE. ERLPHASE EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE. If within ten years from date of shipment by ERLPhase, of any item of the Products, Purchaser discovers that such item was not as warranted above and promptly notifies ERLPhase in writing thereof, ERLPhase shall remedy such defect by, at ERLPhase's option, adjustment, repair or replacement of the item and any affected part of the Products. Purchaser shall assume all responsibility and expense for removal, reinstallation and freight in connection with the foregoing remedy. The same obligations and conditions shall extend to replacement items furnished by ERLPhase hereunder. ERLPhase shall have the right of disposal of items replaced by it. Purchaser shall grant ERLPhase access to the goods at all reasonable times in order for ERLPhase to determine any defect in the goods. The foregoing states Purchaser's exclusive remedy against ERLPhase and its suppliers for any defect in the goods or for failure of the goods to be as warranted, whether Purchaser's remedy is based on the contract, warranty, failure of such remedy to achieve its essential purpose, tort (including negligence), strict liability, indemnity or any other legal theory, and whether arising out of warranties, representations, instructions, installations or defects from any cause. This Warranty shall be void in its entirety if the Purchaser chooses not to implement product maintenance releases to the Products. The warranty set forth in this section does not extend to any item of the Products which have not been manufactured by ERLPhase. ERLPhase shall also have no responsibility and this warranty shall not apply if, in ERLPhase's sole judgment, the Products have been improperly stored, handled or installed, if the Products have not been operated or maintained according to their ratings or according to instructions in ERLPhase or supplier furnished manuals, or if unauthorized repairs or modifications have been made to the Products. This warranty will also not cover damage due to acts of God, power failures, lightning, fire, flood, severe weather, hailstorms, insects and pest infestation, and other events reasonable beyond ERLPhase's control. Warranty coverage does not include any transportation costs for return of Products or for reshipment of any repaired or replaced Products, or costs associated with removal, installation or reinstallation of Products.



ERLPhase Power Technologies Limited

10. LIMITATION OF LIABILITY

Neither ERLPhase nor its suppliers shall be liable, whether in contract, warranty, failure of a remedy to achieve its essential purpose, tort (including negligence), strict liability, indemnity or any other legal theory, for loss of use, revenue or profit, or for cost of capital or of substitute use or performance, or for indirect, special, liquidated, incidental or consequential damages, or for any other loss or cost of a similar type, or for claims by Purchaser for damages of Purchaser's customers. ERLPhase's maximum liability under this contract shall be the contract price. ERLPhase and Purchaser agree that the exclusions and limitations set forth in this article are separate and independent from any remedies which Purchaser may have hereunder and shall be given full force and effect whether or not any or all such remedies shall be deemed to have failed of their essential purpose. In all cases, ERLPhase's total liability will be limited to the price of Products provided or services performed by ERLPhase. NO IMPLIED STATUTORY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE SHALL APPLY.

11. NUCLEAR

Purchaser represents and warrants that the Products covered by this contract shall not be used in or in connection with a nuclear facility or application. If Purchaser is unable to make such representation and warranty, the Purchaser agrees to indemnify and hold harmless ERLPhase and to waive and require its insurers to waive all rights of recovery against ERLPhase for any damage, loss, destruction, injury or death from a "nuclear incident", as that term is defined in the Atomic Act of 1954, as amended, whether or not due to ERLPhase's negligence.

12. PATENTS

Subject to the limitations herein, ERLPhase will defend any suit or proceeding brought against Purchaser if it is based on a claim that any product furnished hereunder constitutes an infringement of any U.S. or Canadian intellectual property rights. ERLPhase must be notified promptly in writing and given full and complete authority, information and assistance (at ERLPhase's expense) for defense of the suit. ERLPhase will pay damages and costs therein awarded against Purchaser but shall not be responsible for any compromise made without its consent. In no event shall ERLPhase's liability for such damages and costs (including legal costs) exceed the contractual value of the Products or software supplied by ERLPhase to Purchaser that are the subject of the lawsuit. In providing such defense, or in the event that such product is held to constitute infringement and the use of the product is enjoined, ERLPhase, in its discretion, shall procure the right to continue using such product or software, or modify it so that it becomes noninfringing, or remove it and grant Purchaser a credit for the depreciated value thereof. ERLPhase's indemnity does not extend to claims of infringement arising from ERLPhase's compliance with Purchaser's design, specifications and/or instructions, or use of any product in combination with other products or in connection with a manufacturing or other process, or from a modification of the Products without the consent of ERLPhase. The foregoing remedy is exclusive and constitutes ERLPhase's sole obligation for any claim of intellectual property infringement and ERLPhase makes no warranty that products sold hereunder will not infringe any intellectual property rights.



ERLPhase Power Technologies Limited

13. INTELLECTUAL PROPERTY

Purchaser acknowledges that the Products may contain ERLPhase's intellectual property, including but not limited to patents, copyrights, derivative works, mask work rights, trademarks, tradenames, trade secrets, and proprietary technical know how, embodied in hardware, software, or technical information, or some combination thereof. Purchase agrees that, as between Purchaser and ERLPhase, the ownership of all patents, copyrights, derivative works, mask work rights, trademarks, tradenames, trade secrets, and all other intellectual property contained in the Products remains with ERLPhase and none is transferred to Purchaser. Notwithstanding any provisions to the contrary (including but not limited to provisions regarding transfer of title), Purchaser acknowledges that a sale of the products does not constitute a sale of any of ERLPhase's intellectual property rights and does not convey any license by implication, estoppel or otherwise covering the Products or the intellectual property contained therein, except solely that, conditioned upon Purchaser's full performance of its obligations to ERLPhase, Purchaser shall receive a limited, non-exclusive, non-transferable right to use such intellectual property solely for the purpose of and only to the extent necessary for, use of the Products in accordance with ERLPhase's published specifications and user documentation. Purchaser shall not reverse engineer, decompile, disassemble, translate, copy, modify alter or otherwise change any Product or part thereof (including without limitation any software provided by ERLPhase).

14. GOVERNING LAW AND ASSIGNMENT

The laws of the State of Texas, USA with a venue in the U.S Federal District Court, unless otherwise determined by ERLPhase at the time of order, without reference to choice of law principles shall govern the validity, interpretation and enforcement of this contract. The application of the United Nations Convention on Contract for International Sales of Goods shall be excluded. Assignment may be made only with written consent of both parties; provided, however, ERLPhase may assign to its affiliate without Purchaser's consent or in connection with any transfer of all or substantially all of the assets or business of ERLPhase or any portion or division thereof, including, but not limited to, by way of a sale or transfer of assets or merger, amalgamation, arrangement or other form of reorganization.

15. ATTORNEY FEES

Purchaser shall be liable to ERLPhase for any attorney fees and costs incurred by ERLPhase in enforcing any of its rights hereunder. ERLPhase shall be liable to Purchaser for any attorney fees and costs incurred by Purchaser in enforcing any of its rights hereunder.

16. STATUTE OF LIMITATIONS

To the extent permitted by applicable law, any lawsuit for breach of contract, including breach of warranty, arising out of the transactions covered by this contract, must be commenced not later than twenty-four (24) months from the date the cause of action accrued.



ERLPhase Power Technologies Limited

17. LEGAL COMPLIANCE

Purchaser at all times shall comply with all applicable federal, state and local laws and regulations. Export of the products covered by this agreement may be subject to export license control by the government of the U.S. and Canada. It is Purchaser's responsibility to obtain any licenses which may be required under the applicable laws of the U.S. and Canada including the Export Administration Act and regulations promulgated thereunder.

18. CHANGES IN LAW AND REGULATIONS

ERLPhase prices and timely performance is based on all applicable laws, rules, regulations, orders, codes, standards or requirements of governmental authorities effective on the date of ERLPhase proposal. Any change to any law, rule, regulation, order, code, standard or requirement which requires any change hereunder shall entitle ERLPhase to an equitable adjustment in the prices and at any time of performance.

19. WAIVER

No claim or right arising out of a breach of this Contract can be discharged in whole or in part by a waiver or renunciation unless supported by consideration and made in writing signed by the aggrieved party. Either party's failure to enforce any provisions hereof shall not be construed a waiver of a party's right thereafter to enforce each and every such provision.

20. ENTIRE AGREEMENT

Our Customer Order Confirmation, with documents as are expressly incorporated by reference, is intended as a complete, exclusive and final expression of the parties' agreement with respect to such terms as are included herein. Our Customer Order Confirmation may be executed in one or more counterparts, each of which shall for all purposes be deemed an original and all of which shall constitute the same instrument. No course of prior dealings and no usage of the trade shall be relevant to determine the meaning of Our Customer Order Confirmation even though the accepting or acquiescing party has knowledge of the performance and opportunity for objection. The term "including" shall mean and be construed as "including, but not limited to", unless expressly stated to the contrary. The invalidity, in whole or in part, of any of the foregoing articles or paragraphs of Our Customer Order Confirmation shall not affect the remainder of such articles or paragraphs or any other article or paragraph of

Our Customer Order Confirmation.