

Transportation Equipment Services Agreement

This Transportation Equipment Services Agreement (“**Agreement**”) is made as of [REDACTED], 2026 (the “**Effective Date**”) between **The Mayor and Council of Rockville**, a Maryland municipal corporation (“**Customer**”) and **HEF-P Rockville, LLC**, a Delaware limited liability company that is registered in Maryland (“**Provider**;” each of Customer and Provider, a “**Party**”).

RECITALS

- A. **WHEREAS**, Customer desires to procure two (2) electric shuttle buses and the purchase, design, and installation of two (2) DCFC stations with a 10-year service agreement for station maintenance and a 97% station uptime guarantee; and
- B. **WHEREAS**, in accordance with Rockville Code Section 17-71(b), Customer may enter into a contract to procure goods and services without utilizing Customer’s formal solicitation process if (a) the contractor has entered into a contract to provide said goods and services to “other state or local governments or agencies,” (b) the other state or local government or agency arrived at the contract terms with the contractor through a competitive procurement procedure similar to the procedure used by Customer, and (c) Customer obtains the same contract terms the contractor offered to the other state or local government or agency for said goods and services; and
- C. **WHEREAS**, Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (“**Sourcewell**”) that offers cooperative procurement solutions to government entities, and Customer’s Department of Procurement has determined that Sourcewell’s competitive procurement procedure is similar to the competitive procurement procedure utilized by Customer; and
- D. **WHEREAS**, on or about March 23, 2023, Sourcewell issued Request for Proposal #051123 (the “**RFP**”) to solicit the procurement of fleet electrification transition planning, management, and related services; and on May 11, 2023, Highland Electric Fleets, Inc., (“**Highland Electric Fleets**”) a Delaware corporation, submitted a response to the RFP; and
- E. **WHEREAS**, on July 14, 2023, Sourcewell entered into a contract with Highland Electric Fleets referred to as Sourcewell Contract 051123-HEF (the “**Sourcewell Contract**”), wherein Highland Electric Fleets agreed to provide Sourcewell and its eligible participating entities with equipment, products, and services responsive to the RFP; and
- F. **WHEREAS**, Provider is a Delaware Limited Liability Company that is registered in Maryland and that is wholly owned by Highland Electric Fleets; and
- G. **WHEREAS**, Customer, as an eligible participating public agency and Sourcewell member, shall assume the rights and obligations of a Participating Entity, as defined in the Sourcewell Contract. and the Provider agrees to provide the goods and services described in more detail herein to Customer on the same terms and conditions as provided in the Sourcewell Contract, subject to the terms and conditions of this Agreement; and
- H. **WHEREAS**, Customer and Provider agree that where the terms of this Agreement vary from the terms and conditions of the Sourcewell Agreement, the terms and conditions of this Agreement shall prevail.

NOW, THEREFORE, IN CONSIDERATION of the foregoing and the covenants, warranties and agreements of the Parties, as are hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged by each Party, the Parties agree as follows:

1. **Services**. Customer retains Provider to provide Services (defined below) based on the provision of access to and use of charging stations (“**Chargers**”) and related infrastructure and equipment, including, in Provider’s discretion, battery energy storage systems and electricity generation facilities (“**Infrastructure**;” Vehicles, Chargers, and Infrastructure, collectively, the “**System**”) for **two (2)** electric shuttle buses, described on **Exhibit A** (“**Vehicles**”), which Vehicles are

owned and will be operated by Customer. The System will be located at Customer's premises ("**Premises**") identified in the preliminary "**System Site Plan**" attached as **Exhibit B**. The "**Services**" mean:

- a. **Consulting Services:** Planning and incentive support for fleet electrification;
- b. **Procurement Services:** Specification and purchase of Chargers, and Infrastructure;
- c. **Installation Services:** Design, permitting, installation, and interconnection of the System;
- d. **Training Services:** System use training for Customer staff at times mutually agreed by the Parties;
- e. **Charge Management Services:** License to Customer of Provider's fleet management software platform ("**Platform**") under the Platform License (defined below); and
- f. **Operations Services:** From and after the Operational Date, operation and maintenance of Chargers and Infrastructure.

2. **Term.** This Agreement will be effective (the effective period, the "**Term**") from the Effective Date through the end of the Initial Term and any Extension Term (as such terms are defined below), subject to earlier termination as provided herein.

- a. "**Initial Term**" means the period beginning on the date ("**Operational Date**") the System is available at the Premises and operational, as agreed pursuant to a certificate ("**Certificate**") in the form of **Exhibit C** agreed by the Parties, and ending on the last day of the tenth (10th) Contract Year. Customer will be deemed to have agreed to the Operational Date set forth in a Certificate signed and delivered by Provider unless, no later than 5 days after such delivery to Customer, Customer delivers a written objection notice to Provider. For avoidance of doubt, the Operational Date shall not occur until the Vehicles, Chargers, and Infrastructure are all available to Customer at the Premises and operational.
- b. **Extension Term.** No Agreement effective period ("**Extension Term**") following the Initial Term is contemplated as of the Effective Date. If the Parties agree in writing that this Agreement should continue and be effective for an Extension Term, the provisions of this Agreement may be revised for such Extension Term as agreed.
- c. **Anticipated Operational Date.** The Operational Date will occur on or before **February 28, 2027** (the "**Anticipated Operational Date**"). To the extent the Operational Date conditions set forth in the Certificate are satisfied in advance of the Anticipated Operational Date, the Operational Date shall occur prior to the Anticipated Operational Date and Customer will not object to an early achievement of the Operational Date. By delivering a written notice to Customer (including via email), Provider may extend the Anticipated Operational Date for any delay beyond Provider's reasonable control, including utility delay, delay due to Force Majeure Events (defined below), and System original equipment manufacturer ("**OEM**") delay; and upon delivery to the Customer of such notice, the Anticipated Operational Date shall be amended as set forth in such notice.

3. **Provider Performance Guarantee.**

- a. "**Charger Uptime Guarantee**": From and after the Operational Date, Provider guarantees that the Chargers will be Available (defined below) at least **97%** of each Contract Year ("**Availability Percentage**"), subject to Permitted Exclusions (defined below). Chargers will be "**Available**" if they are capable of being operated to charge the Vehicles simultaneously at the minimum power level of 49 kW per charging port. For each 1% below the Availability Percentage that the Chargers are not Available in a Contract Year, Provider will pay or provide to Customer an "**Availability Credit**" equal to 1% of the aggregate Base Service Fee (defined below) paid for that Contract Year. Provider will also pay or provide Customer a "**Penalty Availability Credit**" equal to 1% of the aggregate Base Service Fee for each 72-hour period in any Contract Year in which the Chargers are unable to simultaneously deliver a minimum of 49 kW of power per charging port to Vehicles for that Contract Year ("**Penalty Event**"), excluding scheduled maintenance for which Customer received prior notice. Customer shall provide Provider with written notice of any Penalty Event. Provider may provide one or more redundant charging stations (e.g. – a level 2 charging station) at the Premises and rely on the redundant charger(s) to satisfy the Availability Percentage and avert a Penalty Event when Chargers are not Available. Notwithstanding the foregoing, a Charger shall be deemed "**Available**," despite being inoperable, if the Charger inoperability is due to a Permitted Exclusion; and a "**Penalty Event**" shall not be deemed to occur or be continuing during any period to the extent a Permitted Exclusion occurs or is continuing. Availability Credits and Penalty Availability Credits may be referred to collectively or individually, as the context requires, as "**Credits**" or a "**Credit**."
- b. "**Service Promise**": Provider will (i) for each identified issue with the System noticed by Customer, provide a remote response on the same days as notice delivery or the next business day for notices received after 5:00 pm (ET), and (ii) implement periodic (at least semi-annual) Customer surveys and System operations reviews.
- c. "**Permitted Exclusions**" means (i) grid outages, blackouts, telecommunications or Internet outage or unavailability, and similar events, (ii) Default Event by Customer or Customer acts or omissions that affect fulfillment of the Charger Uptime Guarantee (including Customer failure to properly plug a Vehicle into an in-service Charger port, facility or parking area construction requiring System shut down or Vehicle relocation, Vehicle malfunctions due to untimely or incomplete Repair Work), (iii) System component theft or System component vandalism, (iv) Force Majeure Events (defined below); (v) scheduled preventive maintenance and testing (not to exceed 40 hours per System per Contract Year); and (vi) any other event or circumstance specifically designated as a Permitted Exclusion pursuant to this Agreement.

- d. **Limitation.** The total amount of Credits that may accrue and be payable for any Contract Year are capped at twenty percent (20%) of the aggregate Base Service Fee paid for that Contract Year.

4. **Base Service Fee; Invoicing; Taxes.**

- a. **Base Service Fee.** So long as Customer timely pays the “Initial Payment” pursuant to **Exhibit E**, during the Term, Customer will pay to Provider a fee equal to **\$24,400.00/12 months (“Base Service Fee”)**, which amount will be prorated for the first Contract Year if longer than 12 months and will increase by the Escalator (defined below) for each Contract Year after the first Contract Year.
- b. The “**Escalator**” means an annual rate of **3%**, but if the Consumer Price Index (“**CPI**”), for the region including the Premises changes over a Contract Year by more than **6%**, up or down, then the Escalator for the ensuing Contract Year only will be adjusted up or down by such annual percentage increase or decrease in the **CPI minus 6%**.
- c. **Accrual and Payment.** The Base Service Fee will accrue in advance and will be due and payable as of the Operational Date, and as of the first day of each Contract Year after the first Contract Year. The Base Service Fee will be prorated for the first Contract Year to the extent such first Contract Year is longer than twelve (12) months.
- d. **Invoicing.** Provider will provide Customer with a preliminary projected invoice for the Base Service Fee for each Contract Year 30 days prior to issuing the final invoice. Provider will invoice Customer for the Base Service Fee due for each Contract Year in advance of the due date, except that the Initial Payment and Base Service Fee for the first Contract Year will be invoiced on or after the Operational Date. Customer fees or Provider credits that accrue as set forth in this Agreement will be invoiced as soon as possible after accrual. Payments will accrue and be due 60 days after the stated invoice date, except in the event that Provider, including successors or assigns, is operating under a new name or has changed its bank remittance information since the last payment, in which case payments will be due 90 days after the stated invoice date, and any payment that is not paid when due shall be subject to interest at the rate of 1.5% per month, or the maximum rate permitted by law, whichever is lower. Customer shall pay all amounts due under this Agreement in full without any setoff, deduction, counterclaim, recoupment, defense, or withholding of any kind, whether arising under this Agreement or any other agreement or transaction between the Parties. Availability Credits will accrue and be provided annually and will be reflected in a written statement delivered by Provider to Customer following each Contract Year; and Penalty Availability Credits will accrue no more frequently than monthly and will be reflected in a written statement delivered by Provider to Customer following accrual. Accrued Credits will be applied to reduce Base Service Fee payments, or, if no future Base Service Fee payments are due at the time of accrual, will be paid as agreed by Customer and Provider.
- e. The “**Contract Year**” means: (i) for the first Contract Year, the period beginning the Operational Date for such Vehicle and ending on the June 30 that is at least twelve (12) months after the Operational Date; or (ii) for each Contract Year after the first Contract Year, the 12-month period beginning July 1 and ending on the next June 30, subject to earlier termination as provided in this Agreement.
- f. **Taxes.**
 - i. *Customer’s Taxes.* Customer is responsible for (1) any real property taxes on the Premises or Customer’s property thereon; and (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 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.

5. **Incentives and Tax Credits.** Provider is entitled to the benefit of, and will retain all ownership interests in Tax Attributes and Incentives, including Existing Incentives, where:

- a. “**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.
- b. “**Tax Attribute**” means (i) any federal or state investment tax credit, production tax credit, or similar tax credit, grant, 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.
- c. “**Existing Incentive**” means depreciation of the System (also a Tax Attribute).

6. **Platform License; Intellectual Property.**

- a. **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.
- b. **Grant of License in Platform.** Provider hereby grants to Customer a royalty-free, non-assignable, non-transferable, and non-exclusive license (“**Platform License**”) for Customer’s personnel, commencing on the Operational Date and for the balance the Term, to access and use the Platform to perform its transportation operations.
- c. **Data.** Data regarding the operational state of and performance of the System and any Vehicle 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 for its transportation operations. Data collected by any cameras installed on any Vehicle (“**Customer Content**”) shall be the property of Customer; provided that, at the request of Provider, and subject to applicable law, Customer may provide access to Customer Content to Provider.
- d. **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) sell, license, sublicense, assign, or otherwise transfer 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.
- e. **Diagnostic Software.** The Parties acknowledge and agree that the Platform does not include Vehicle diagnostic software that may be used or useful to identify Vehicle issues and the type of Repair Work required. If necessary to assure compliance with Customer’s Repair Work obligations under this Agreement, Customer may be required to procure such Vehicle diagnostic software.

7. **Vehicle and System Operation.**

- a. **Operations Covenants.** Commencing on the Operational Date and throughout the balance of the Term, Customer will:
 - i. operate each Vehicle only (A) as necessary for Customer’s governmental operations; (B) as necessary to perform Repair Work; and (C) consistent with Prudent Vehicle Practices (defined below);
 - ii. not directly or indirectly, modify, repair, move, or otherwise tamper with any Charger in any manner or with any 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; 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, 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. 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 charging station port;
 - ix. not transfer, sublease, or assign the Vehicle, or permit any person, except Drivers or OEM-authorized agents in connection with Repair Work, to drive the Vehicles.

Except for Customer’s operation of the Vehicles and use of and access to the System in accordance with the above operating parameters, Provider shall have charge over, and control of, the System.

- b. “**Prudent Vehicle Practices**” means those practices and processes in connection with Vehicle charging, operation, and repair that: (i) are consistent with electric vehicle industry and shuttle bus industry best practices, (ii) comply with applicable OEM recommendations and requirements; (iii) conform to the requirements necessary to preserve the OEM Vehicle warranty; and (iv) comply with all applicable federal, state, and local laws and requirements.
- c. **Provider Use of the System.** Subject in all cases to its obligations to provide the Services to Customer, Provider may use the System to participate in, among other things, utility demand response and vehicle-to-grid dispatch programs, ISO-level frequency regulation and other wholesale market dispatch, and grid services activities, at its sole discretion (“**Grid Services**”). 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. Provider has the right: (i) to install at the Premises or on any System component, use, operate, repair, replace, and remove equipment (collectively, “**Provider Equipment**”) that may be included as part of, that is related to, or that may serve any Vehicle or any other component of the System; and (ii) to install at the Premises or on or within a Vehicle or other System component, use, operate, maintain, repair, replace, and remove any storage container, vault, or other facility (each, a “**Storage Facility**”) that may be used to store Provider equipment, tools, or materials used or useful in providing Services or for electric vehicle, charger, or related parts, infrastructure components or material. The Provider Equipment and any Storage Facility may also be referred to collectively as “**Provider Facilities.**” The Provider’s rights with respect to Provider Facilities are expressly conditioned on the use, operation, maintenance, repair, replacement, or removal

thereof: (1) complying with applicable law and, as applicable, Prudent Vehicle Practices, and (2) supporting and not interfering with, or inhibiting, the provision of Services and the use of the System by the Customer contemplated by this Agreement. Provider shall own and shall bear all risk of loss (excluding Customer-caused damage) and benefit from Provider Facilities and shall maintain Provider Facilities in good condition, reasonable wear and tear excepted. To the extent Provider removes the System from the Premises at the end of the Term or otherwise, unless otherwise agreed by Customer, Provider also shall remove all Provider Facilities from the Premises.

8. Maintenance.

- a. **System Maintenance Generally.** Provider is responsible for all operation and maintenance, and related costs, for the Infrastructure and Chargers. Customer is responsible for all inspection, maintenance, and repair of the Vehicles in accordance with this Agreement.
- b. **Vehicle Maintenance.**
 - i. *Repair Work.* 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 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 Vehicle warranty (“**OEM Warranty**”) applies to or would cover any Repair Work, Customer shall perform or shall cause to be performed, such Repair Work consistent with the requirements applicable to the relevant OEM Warranty.
 - iii. *Inspections.* 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 preventative maintenance and repairs on such Vehicle in accordance with Prudent Vehicle Practices and as otherwise may be required to enable such Vehicle to successfully pass or satisfy all applicable Inspection criteria. Upon satisfactorily passing any Inspection, Customer will deliver to Provider documentary proof thereof. “**Inspections**” means such inspections required by Prudent Vehicle Practices to maintain Vehicle operability.

9. System Site Plan; Premises.

- a. **System Site Plan.** 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 B** 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 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 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, swap any System component for a functionally equivalent System component and may 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.
- b. **Conditions Precedent.** If any Condition Precedent (defined below) is not timely satisfied, then, for thirty (30) days following written notice from Provider to Customer delivered within sixty (60) days after the failure of such Condition Precedent, the Parties shall attempt to negotiate an adjustment to the Base Service Fee applicable as of the first Operational Date or, if later, applicable as of the date such Condition Precedent is not satisfied. 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. The following conditions (each a “**Condition Precedent**”) shall be satisfied:
 - i. 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 (“**Interconnection Cost**”) shall not exceed **\$21,000.00**;
- ii. Each permit, license, approval, authorization, service agreement, or similar permission or agreement (each, an “**Approval**”) from a federal, state, or local government authority, agency, department, commission, board, instrumentality, official, court, or tribunal that has jurisdiction (a “**Governmental Authority**”) 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 shall have been secured for the System by Provider, 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 B**;
 - iii. All applicable Existing Incentives for the System shall have been timely secured and received by Provider;
 - iv. Sitework at the Premises beyond that contemplated by the preliminary System Site Plan attached as **Exhibit B** (including flood mitigation) shall not be required to complete the Installation Services; and
 - v. Customer has not provided inaccurate or incomplete information concerning the Premises or made requests for changes to the System, its location, 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.
- c. **Surety.** As soon as possible after the Effective Date and, in any event, prior to commencing Installation Services on the Premises, Provider shall furnish to the Customer payment and performance bond(s), an irrevocable letter of credit, or other performance guarantees, as acceptable to and approved by the Customer (“**Surety**”). Such Surety shall be in a sum equal to \$460,719.00 (FOUR HUNDRED SIXTY THOUSAND, SEVEN HUNDRED AND NINETEEN DOLLARS) and shall be issued by a surety company authorized to do business in the State of Maryland. Such Surety shall provide effective and sufficient financial assurance for the full and faithful performance by Provider of the Installation Services under this Agreement, including with respect to the installation of Chargers and Infrastructure at the Premises and the payment of bills for labor and materials for such work. Such Surety shall be payable to the Customer upon demand for the Provider’s failure to perform the Installation Services as required under this Agreement and/or failure to pay all amounts owed to laborers, mechanics, subcontractors, and materialmen for work performed or materials, supplies, rental items, tools, and equipment provided for the Installation Services under this Agreement. The Surety shall also assure the repair or replacement of any such work found to be defective or otherwise not in compliance with this Agreement. The Surety shall remain in effect or be promptly renewed or replaced by another Surety acceptable to the Customer until the Operational Date and the delivery by Provider to Customer evidence satisfactory to the Customer that all payroll, material bills, taxes and other indebtedness connected with the Installation Services have been paid or otherwise satisfied. Such evidence may include a complete and final, unconditional waiver or release of any and all lien and claim rights from each subcontractor, materialman, supplier, manufacturer, and dealer for all labor, equipment, and material used or furnished by each on the relevant work.
- d. **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 substantially the same manner as Customer’s use and occupancy as of the Effective Date. Customer, as owner of the Premises, or with full permission from the owner of the Premises (the “**Landowner**”), if other than Customer, hereby grants to Provider and to Provider’s agents, employees, contractors, subcontractors, and the utility serving the Premises a non-exclusive, royalty free, license running with the Premises (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 running with the Premises during the License Term (the “**Exclusive License**,” and together with the Non-Exclusive License, the “**Licenses**”) for the sole purposes of installation, operation, use, repair, and removal of the Vehicles, Chargers, Infrastructure, and any Provider Facilities on 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. 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 access to the Premises on weekdays between the hours of 6:30 am and 4:00 pm after 48 hours’ notice, except in the event of a bona fide emergency, in which case Customer shall provide Provider with the contact information of one or more employees who can provide access 24/7.
- e. **End of Term; Removal.** The Parties 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, (i) decommission and remove from the Premises all above-ground property comprising the System and Provider Facilities, and (ii) 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 any Provider Facilities and System decommissioning. Customer must provide access, space, and cooperation as reasonably necessary to facilitate System decommissioning and any removal of the above-ground components of the System or any Provider Facilities. If Provider fails to remove or commence substantial efforts to remove the Chargers, Infrastructure, and any Provider Facilities as required by this provision, Customer may, at its option, remove such Chargers, Infrastructure, and Provider Facilities to a public warehouse and restore the Premises to its original condition (other than ordinary wear and tear) at Provider's cost.

- f. **Environmental.** Customer represents that there are no Hazardous Substances (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 9(f)** shall survive the termination or expiration of this Agreement. 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. "**Hazardous Substance**" means any chemical, waste, or substance (i) that 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 laws pertaining to environment, health, safety or welfare, (ii) that is declared to be hazardous, toxic, or polluting by a Governmental Authority, (iii) exposure to which is now or hereafter prohibited, limited or regulated by a Governmental Authority, (iv) the storage, use, handling, disposal or release of which is restricted or regulated by a Governmental Authority, or (v) for which remediation or cleanup is required by a Governmental Authority.
- g. **Customer Representations as to Premises.** Customer represents, warrants, and covenants to Provider the following as of the Effective Date: (i) Customer has title to or a leasehold or other valid property interest in such Premises, (ii) 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 (iii) 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.

10. Ownership and Risk of Loss. As between Provider and Customer, Provider (including, for this purpose, a Provider affiliate or Financing Party (defined below)) shall be the legal and beneficial owner of the System and Provider Facilities, and the System and Provider Facilities will remain the personal property of Provider (or its affiliate or Financing Party) and no part of the System or Provider Facilities will attach to or be deemed a part of, or fixture to, the Premises. Risk of loss for the System installed at the Premises shall be borne by Provider, excluding damage or losses covered by the Customer insurance policies required by this Agreement and excluding damage caused by the Customer or its agents. Customer shall own and bear risk of loss and liability associated with the Vehicles, including for acts or failures of its agents, contractors, or invitees, including Drivers and passengers.

11. Insurance. During the Term, the Parties shall comply with the insurance provisions below.

- a. **Insurance – Customer.** Customer shall maintain or ensure the following is maintained (i) property insurance on the Vehicles and any other portion of the System located on the Premises for the replacement cost thereof; (ii) commercial general liability insurance with coverage of at least \$400,000 per **individual claim** and \$800,000 per **total claims arising from the same occurrence**; (iii) automobile liability insurance and physical damage covering all Vehicles with coverage of at least \$400,000 per **individual claim** and \$800,000 per total claims arising from the same occurrence, (v) employer's liability insurance with coverage of at least \$1,000,000; and (vi) workers' compensation insurance as required by law. Provider, its parent, its subsidiaries, its affiliates, and/or, to the extent designated by Provider, its Financing Party or Financing Parties shall be named as a loss payee or loss payable or as loss payees or loss payables, as applicable, on Customer's property insurance policy, other than employer liability and workers compensation insurance. Each Customer policy required under this Section shall provide and shall be endorsed to provide that: (A) the Customer's insurance is primary and non-contributory with respect to any insurance maintained

by Provider and shall apply first; and (B) any insurance maintained by Provider shall be excess of the Customer's insurance and shall not contribute to the Customer's insurance. Each of the foregoing Customer insurance policies shall include a waiver of subrogation in favor of Provider, its parent, its subsidiaries, its affiliates, and Financing Party/ies. Customer shall assure that each Driver is covered under the Customer's liability and employer/ workers compensation insurance policies. If the minimum financial responsibility applicable to Customer as operator of the Vehicles, whether imposed by applicable law or by Governmental Authority, exceeds the Customer insurance minimums in this Agreement, Customer shall obtain and maintain insurance at such higher, required levels.

- b. **Insurance – Provider.** Provider shall maintain (or have maintained on its behalf) the following insurance policies, covering the activities of Provider under this Agreement: (i) commercial general liability insurance with coverage of at least \$1,000,000 combined single limit per occurrence and \$2,000,000 annual aggregate; (ii) 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; (iii) employer's liability insurance with coverage of at least \$1,000,000; and (iv) workers' compensation insurance as required by law. Provider is not obligated to carry property insurance on the Vehicles or the System for the benefit of Customer, and any such insurance maintained by or for Provider shall be excess over the insurance required to be maintained by Customer under this Agreement. Provider's insurance will not be called upon to respond to or cover Customer's negligence or willful misconduct.
- c. **Additional Requirements of Customer and Provider.** All liability insurance and property insurance policies required to be maintained by a Party (each, an "**Insured**") under this Agreement: (i) not be cancelled, or not renewed 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 or non-renewal; (ii) 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. 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.
- d. **Damage to or Destruction of System.** Customer shall notify Provider immediately of any insurable claims (e.g., damage, destruction) affecting the System of which Customer becomes aware. 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 System damage or destruction. Subject to the preceding sentence, insurance proceeds shall be applied to prompt repair, restoration, or replacement of the applicable System components. If Provider elects to repair and restore the System, 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, adjustments to the Term and Base Service Fee. Each Party shall be responsible for any insurance deductibles under the policies maintained by such Party, 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 responsible for any additional funds required to complete the necessary work.

12. 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 12** 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, (B) loses its rights to access, use, occupy, and enjoy the Premises; 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 unless Provider fails to satisfy when due any obligation under this Agreement to pay or credit Customer with respect to such failure and such failure continues beyond any applicable grace or cure period.

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 (A) the date that Customer cures the Default Event in full, or (B) termination of this Agreement. Provider's rights under this **Section 12(b)** are in addition to any other remedies available to it under this Agreement, at law, or in equity.
- 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.
- 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 A**. In addition, upon termination of this Agreement due to a Default Event, and subject to **Section 13**, 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.

13. Mutual Indemnification; Limitations.

- a. **General.** To the extent permitted by applicable law, each Party (the "**Indemnifying Party**") shall defend, indemnify, and hold harmless the other Party, its affiliates, and their 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 this Agreement, including **Section 17**, (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 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 and claims concerning Hazardous Substances pursuant to this Section, Provider's aggregate liability under this Agreement arising out of or in connection with the 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 related Claim. The provisions of this Section will apply whether such liability arises in contract, tort, strict liability, or otherwise.
 - iii. Customer's liability under this Agreement is subject to the terms and liability limits of the Maryland Local Government Tort Claims Act, codified at §§ 5-301 *et seq.* of the Courts and Judicial Proceedings Article of the Maryland Annotated Code. Notwithstanding anything to the contrary elsewhere in this Agreement, Customer shall not in any event be liable for punitive damages.
- 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.

14. **Force Majeure.** 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. A "**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 attack; piracy; civil unrest or disturbance; fire; earthquake; abnormal weather condition or actions of the elements; epidemic or pandemic; animals; 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 or supplies outside of Provider's control or due to a Force Majeure Event.

15. **Assignment and Financing.**

a. **Assignment.**

- i. Subject to the remainder of this **Section 15(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 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 under 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.
- ii. Notwithstanding **Section 15(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 15(b)**), (B) any entity through which Provider is obtaining financing from a Financing Party, (C) any affiliate of Provider, including any related titling trust, 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 15(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, lessors, investors or other third parties (each, together with each agent, trustee, successor or assign thereof, 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 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). Without limiting Provider’s assignment rights under **Section 15(a)(ii)**, Customer shall timely execute any consents to assignment (which may include cure rights, attornment and step-in rights, and additional Financing Party notice and cure periods) 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 15**.
- 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 Event 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 15**. 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.

16. **Confidentiality; Publicity.**

- a. **Confidential Information.** To the maximum extent permitted by applicable law, including the Maryland Public Information Act, or any other freedom of information or right to know law applicable to Customer (collectively, the “**Right to Know Act**”), if either Party provides confidential information (“**Confidential Information**”) to the other or, if in the course of performing under this Agreement or negotiating this Agreement a Party learns Confidential Information of the other Party, the receiving or learning Party shall (i) protect the Confidential Information from disclosure to third parties and (ii) refrain from using such Confidential Information, except in the negotiation, performance, enforcement and, in the case of Provider, financing, of this Agreement. The terms of this Agreement (but not the fact of its execution or existence) are considered Confidential Information of each Party. 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 under applicable law, (C) is independently developed by the receiving Party, (D) is required to be disclosed by a Party that is a Governmental Authority subject to the Right to Know Act or similar applicable law, or (E) becomes available to the receiving Party without restriction from a third party under no obligation of confidentiality.
- b. **Goodwill and Publicity.** Neither Party may (i) make any 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, (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.

17. **Miscellaneous.**

- 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, acknowledgment of receipt of electronic transmission (provided that automatic acknowledgment shall not suffice), 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 on the signature page of this Agreement or such other address as either Party may specify in writing pursuant to this **Section 17(a)**.

- b. **Survival.** Provisions of this Agreement that should reasonably be considered to survive termination of this Agreement as a whole, including, without limitation provisions related to billing and payment and hold harmless, will survive such termination.
- c. **Further Assurances.** Each Party shall provide such information, execute, and deliver any instruments and documents and to 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. **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.
- e. **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.
- f. **Waivers; Severability.** 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. 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.
- g. **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. No Party is authorized to act on behalf of the other Party, and neither may be considered the agent of the other.
- h. **Order of Precedence; Customer-Specific Provisions.** This Agreement is comprised of the body of this Agreement, and its Exhibits, each of which are incorporated herein by reference. In the event of any conflict between this Agreement and its Exhibits, the terms of the applicable Exhibit shall control and prevail. If there is a conflict among Exhibits, then the Exhibits shall have precedence in the following Order: first, **Exhibit E**, second, **Exhibit D**, third, **Exhibit B**, fourth, **Exhibit A**, and fifth, **Exhibit C**. Without limitation, except as otherwise expressly stated on **Exhibit E**, the provisions of any **Exhibit E** included as part of this Agreement replace and supersede any inconsistent provision in the body of this Agreement.
- i. **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.
- j. **Representations.** Each Party represents to the other that: (i) 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, governmental authority action, as applicable, and do not and will not violate any law; (ii) 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); 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. 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.
- k. **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.

- l. **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.
- m. **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.
- n. **Governing Law.** This Agreement shall be governed by and construed in accordance with the domestic laws of the State of Maryland, without reference to any choice of law principles. The state courts of Maryland and the federal courts sitting in Baltimore, Maryland, shall have exclusive jurisdiction over any action or proceeding arising under this Agreement, with venue lying in Baltimore, Maryland.
- o. **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.
- p. **Entire Agreement.** 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 Base Service Fee, 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 Base Service Fee, the number or specifications for the Vehicles, or other provision this Agreement, subject only to **Section 9(a)** concerning changes to the System Site Plan.

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

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: The Mayor and Council of Rockville

Provider: HEF-P Rockville, LLC

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

NOTICE ADDRESS:

111 Maryland Avenue
Rockville, MD 20850

NOTICE ADDRESS:

200 Cummings Center, Suite 273D
Beverly, MA 01915
Contact Name and Title: Benjamin M. Schutzman, Vice
President

Contact Name and Title: Denzel John, Sustainability
Program Manager

Contact Phone and Email: 978-288-1105;
ben@highlandfleets.com

Contact Phone and Email: (240) 314-8881;
djohn@rockvillemd.gov

Copy: notices@highlandfleets.com

Approved for legal sufficiency:

Cynthia Walters
Acting City Attorney

Exhibits

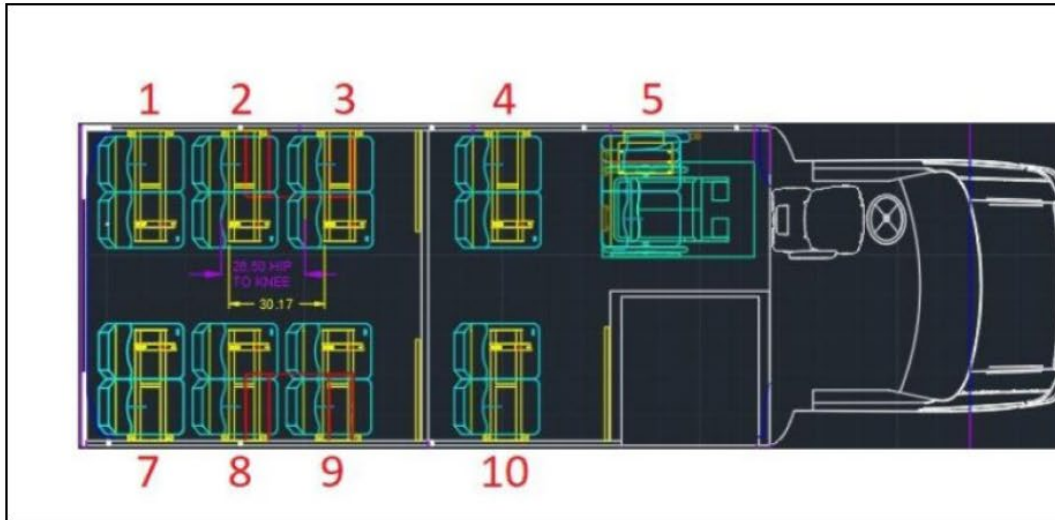
- Exhibit A: Vehicle Specifications; Termination Payment Schedule**
- Exhibit B: System Site Plan**
- Exhibit C: Commercial Operation Certificate**
- Exhibit D: RESERVED**
- Exhibit E: Customer-Specific Provisions**

Exhibit A
Vehicle Specifications; Termination Payment Schedule

1. **Vehicle Specifications:** See attached.
2. **Termination Payments.**

Date of Termination due to Customer Default Event	Termination Payment*
From Effective Date through last Operational Date	\$445,000.00
Contract Year 1	\$461,000.00
Contract Year 2	\$161,000.00
Contract Year 3	\$149,000.00
Contract Year 4	\$135,000.00
Contract Year 5	\$119,000.00
Contract Year 6	\$102,000.00
Contract Year 7	\$ 81,000.00
Contract Year 8	\$58,000.00
Contract Year 9	\$32,000.00
Contract Year 10	\$3,000.00
*	Consistent with Agreement Sections 12(b)(iii), 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.

Attachment to Exhibit A - Vehicle Specifications



Base S1LF Configuration		STANDARD FEATURES	
<ul style="list-style-type: none"> • 212" Wheelbase, 26'8" Body • Low Floor No-Kneel Step-free entry • Electric Entrance Door, 40"x80" • Steel Roll Cage Body Construction with Composite Panels • Bonded Windows with Emergency Egress • Non-slip Vinyl Floor, Grey • HV Heat Pump: 96,000 BTU Cooling, 88,000 BTU Heating • Chassis OEM Driver Controls and HVAC • 14,500 lbs. GVWR, 9,600 lbs. GAWR-Rear, 5,000 GAWR-Front • Power Heated Remote Driver Mirrors 		Electrical System Features <ul style="list-style-type: none"> • Proterra S115 123kW NMC Battery Pack • Heavy Duty Traction Motor, 295 Peak HP • Proprietary Frame Protection Battery Install • Frame Protected High Voltage and Cooling System Protection • 250 Amp DC-DC 12V Chassis Electrical • Level 3 (480V) DCFC Charging System • J1772 Charging Compliant • Grille Mounted CCS Charge Port • OEM BMS and Temperature Control • LED Exterior Body Lighting • Noise Generator with Reverse Sensing • Back-up Camera w/ 7" Screen 	
Qty.	Option	Description	
1	OEVC	Optimal Supplied Chassis E450 (chassis price may vary, actual price determined at time of chassis assignment)	
1		S1LF Base Configuration	
1	AD100	BRAUN 1,000 lbs. CAP., 32.5" BI-FOLD ENTRY RAMP, 1:6 RATIO	
1	AD110	Q-STRAINT, DELUXE SLIDE-N-CLICK RETRACTABLE Q-8100-A1-SC, REQ'D PER SEAT PLAN	
1	BO100	Door Rear W/2 Windows Paddle Latch Locking	
1	BO105	Mud Flap Set, Ford E450, DWR	
1	CA110	Running Board, R/S Aluminum 12" wide	
1	CA120	Extension, Tire Valve Stem	
1	CA130	Tow Hooks, Rear (All)	
1	CA150	Engine Compartment Light LED 12" Strip	
1	D1010	DECAL - FIRE EXTINGUISHER	
1	D1040	Decal CLEARANCE HEIGHT	
1	D1060	Decal EMERGENCY DOOR RED LETTERS 2 INCH	
1	DE215	Seat, Driver, Shielded, w/Right Hand Arm Rest, Heated	
1	DE170	MIC Handheld IN-Dash REI (package with Upgrade Radio)	
1	EL120	Speakers qty 4	
1	EL140	Light, Interior, Above Entrance Door	
1	FL130	ALTRO meta 2.2 flooring	
1	PW100	Radio, Two Way Prep	
1	PW140	Prewire Power/Ground/ Lgn w/ 5' service loop, Dog House (Zonar V4E Black Box)	
1	SE100	Safety Kit, 5lb ABC Fire Ext, First Aide Kit, Triangular Hazard Kit	
1	SE110	Roof Hatch	
1	SE140	Grab Rails, Ceiling, Stainless Steel, Pair	
1	SE170	Grab Handle, Door Leaf, Pair, Yellow	
1	RSHL1	High-100%, Low-65%, Off (Default Setting)	
8	S1030	FREEDMAN FEATHER WEIGHT DBL MID BACK RIGID	
1	S1040	FREEDMAN FEATHER WEIGHT 35" AM2 FOLDAWAY	
18	SF110	Level 4 Fabric	
8	SO100	FREEDMAN USR RETRACTABLE SEAT BELT, DOUBLE	
2	SO106	FREEDMAN USR RETRACTABLE SEAT BELT, FOLDAWAY (PER PERSON)	
8	SO190	FREEDMAN FEATHER WEIGHT ANTIVANDAL GRABRAIL (BLACK PPE)	
1	SO235	FREEDMAN FEATHER WEIGHT TDSS-SC FOR FOLDAWAY	
1	TM100	Optimal Parts Manual	
1	TM120	Optimal Service Manual E1/S1 Ford	
1	TM140	As Built Wiring Diagrams	
1	OEVTR	TRAINING (ON SITE OR OFF SITE)	
1		Drivers Fan - windshield	

Exhibit B: System Site Plan
Address: 14625 Rothgeb Dr, Rockville, MD 20850



SITE PLAN LEGEND	
	AREA OF WORK
	PROPERTY BOUNDARY
	NEW OVERHEAD FEEDER / CONDUIT
	NEW UNDERGROUND FEEDER / CONDUIT
	NEW FENCE LINE (IF USED)
	EV BUS OEM TYPE
	FUTURE EXPANSION EV BUSES TYPE
	UTILITY PAD MOUNTED TRANSFORMER AND BOLLARDS
	UTILITY POLE
	UTILITY POLE MOUNTED TRANSFORMER
	1 PHASE TRANSFORMER
	3 PHASE TRANSFORMER
	PANELBOARD AND METERING / CT CABINET
	(D) DISPENSER SATELLITE
	(S) REMPOWER POWER UNIT C001

SCOPE OF WORK:
 1. ALL WORK SHALL BE PERFORMED PER THE APPROVED PLANS, SPECIFICATIONS, AND INDUSTRY BEST PRACTICES.

- GENERAL REQUIREMENTS:**
1. ALL CONSTRUCTION ACTIVITIES SHALL COMPLY WITH APPLICABLE FEDERAL, STATE, AND LOCAL REGULATIONS, INCLUDING ADA, NEC, AND LOCAL ZONING CODES.
 2. THE CONTRACTOR SHALL OBTAIN ALL NECESSARY PERMITS BEFORE COMMENCING WORK.
 3. WORK HOURS SHALL COMPLY WITH LOCAL ORDINANCES AND RESTRICTIONS.
 4. THE CONTRACTOR SHALL COORDINATE WITH UTILITY PROVIDERS FOR SERVICE CONNECTIONS, MODIFICATIONS, AND RELOCATIONS.
 5. ANY DISCREPANCIES FOUND ON-SITE SHALL BE REPORTED TO THE PROJECT ENGINEER IMMEDIATELY.
- SITE PREPARATION:**
1. INSTALL REQUIRED EROSION AND SEDIMENTATION CONTROL MEASURES BEFORE COMMENCING EARTHWORK.
 2. CLEAR AND GRADE THE SITE PER THE APPROVED GRADING PLAN, ENSURING PROPER DRAINAGE (IF APPLICABLE).
 3. PROTECT EXISTING TREES, LANDSCAPING, AND STRUCTURES AS INDICATED IN PROJECT DOCUMENTS.
- INFRASTRUCTURE:**
1. INSTALL EV CHARGERS PER MANUFACTURER SPECIFICATIONS, ENSURING PROPER ALIGNMENT AND SECURE MOUNTING ON DESIGNATED PADS, PEDESTALS OR WALL MOUNTS.
 2. INSTALL UNDERGROUND CONDUIT, WIRING (PER NEC), AND NECESSARY INFRASTRUCTURE AS SHOWN ON PLANS.
 3. INSTALL TRANSFORMER PADS, UTILITY METERS, AND DISTRIBUTION EQUIPMENT PER UTILITY REQUIREMENTS.
 4. VERIFY PROPER GROUNDING AND BONDING OF ALL ELECTRICAL COMPONENTS PER NEC AND LOCAL CODES.
- FINAL INSPECTION AND CLOSEOUT:**
1. PERFORM FINAL INSPECTIONS AND OBTAIN SIGN-OFFS FROM RELEVANT AUTHORITIES.
 2. REMOVE ALL CONSTRUCTION DEBRIS AND TEMPORARY FACILITIES BEFORE FINAL ACCEPTANCE.
 3. PROVIDE AS-BUILT DRAWINGS AND DOCUMENTATION FOR HIGHLAND AND FLEETS RECORDS.
 4. CONDUCT A FINAL WALK THROUGH WITH STAKEHOLDERS TO CONFIRM PROJECT COMPLETION.
 5. ALL PUNCH ITEMS IDENTIFIED DURING WALK THROUGH MUST BE COMPLETED IMMEDIATELY BEFORE PROJECT IS CONSIDERED COMPLETED.

Highland

NOT FOR CONSTRUCTION

4625 Rothgeb Dr,
 Rockville, MD 20850

REVISION	DATE	ISSUED FOR

PROJECT NUMBER: _____

DRAWN BY / APPROVED BY: _____

SCALE BY: SEE DETAIL TAG

DATE: 2/17/26

SHEET TITLE: **PROPOSED SITE PLAN**

SHEET NO.: **C2.0**

1 PROPOSED SITE PLAN
 C2.0 1" = 7.674"

Exhibit C
Commercial Operation Certificate

PROJECT NAME: City of Rockville, MD, 2 Shuttle Electrification
PROJECT ADDRESS: 14625 Rothgeb Dr, Rockville, MD 20850

OPERATIONAL DATE: [_____]

Pursuant to **Section 2** of the Transportation Equipment Services Agreement (as may be amended or modified from time to time, the “**Agreement**”), dated [_____] by and between The Mayor and Council of Rockville (“**Customer**”) and HEF-P Rockville, LLC (“**Provider**”), this Certificate of Commercial Operation (“**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.

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

IN WITNESS WHEREOF, Provider is executing this Certificate as of the Operational Date set forth above on this Certificate.

Provider:

HEF-P Rockville, LLC

By: _____
Name:
Title:
Date: _____

Customer is executing and delivering this Certificate to confirm Customer’s agreement that the Operational Date is as set forth above.

The Mayor and Council of Rockville

By: _____
Name:
Title:
Date: _____

**Exhibit D
RESERVED**

Exhibit E
Customer-Specific Provisions

1. **Temporary Charging Solution.** In Provider’s sole discretion, at Provider’s cost, and without the need to update or amend this Agreement, or to obtain any consent or approval from the Customer, Provider may install a temporary charging solution at the Premises. The temporary charging solution may include one or more mobile electric vehicle charging stations and a power generator. Installation of an operational temporary charging solution at the Premises for which all required Approvals have been secured will be deemed installation at the Premises of operational Chargers and Infrastructure for purposes of achievement of the Operational Date. Provider, at Provider’s cost, shall remove any temporary charging solution installed at the Premises at such time as the temporary charging solution no longer is required, in Provider’s discretion, to support the provision of the Services.
2. **Procurement by a Political Subdivision; MEA Grant.** The Parties acknowledge and agree that this Agreement is a “procurement by a political subdivision of the State [of Maryland]” within the meaning of COMAR 21.01.03.01(A)(7). The Parties acknowledge and agree that the Customer will acquire the Vehicles in part through receipt and use of a grant (“**MEA Grant**”) pursuant to the Maryland Energy Administration FY25 Medium Duty and Heavy Duty Zero-Emission Vehicle Grant Program in the amount of \$80,000.00/Vehicle, \$160,000.00 total. Pursuant to the terms of the MEA Grant, Provider certifies that:
 - a. at least 80 percent of workers participating in the work under this Agreement reside within Maryland, or within 50 miles of Maryland’s borders; and
 - b. goods and steel utilized for any installation at Customer’s Premises under this Agreement are manufactured in America to the extent required by §§ 14-416 and 17-303 of the Maryland State Finance and Procurement Article of the Maryland Annotated Code.
3. **Initial Payment**
 - a. Within seven (7) days of the Operational Date, the Customer will pay the Provider the **Initial Payment** (defined below) in addition to the Base Service Fee then due. Customer’s timely compliance with the preceding sentence is a material Customer covenant and a “Condition Precedent” within the meaning of Agreement Section 9. Without limiting the rights and obligations of the Parties upon the occurrence of a Default Event, if such Condition Precedent is not timely satisfied, then the Parties will have the rights and obligations set forth in Agreement Section 9.
 - b. The Parties acknowledge and agree that the Base Service Fee payable under this Agreement for Services has been reduced in consideration of the timely payment by Customer of the Initial Payment.
4. **Charging Electricity.** As part of the Installation Services, Provider shall connect the System to the local electricity grid. Subject to completion of such connection, Customer shall timely secure utility service to provide electricity to the System, and shall assure the provision to the System of, charging electricity for the System in the amounts, having the quality (wattage and frequency), and at the times required to charge the Vehicles consistent with the requirements of this Agreement. To the extent the Customer does not satisfy the covenants set forth in the preceding sentence and without limiting Provider’s rights or remedies under the Agreement upon such non-satisfaction, such non-satisfaction shall be a “Permitted Exclusion” within the meanings of Agreement Section 3; and, without limitation, Provider shall be excused from Provider’s obligations under this Agreement, including, as applicable, achieving the Operational Date by the Anticipated Operational Date and the Charger Uptime Guarantee, and any liability of Provider with respect to any obligation that is so excused hereby is waived and released by Customer.
5. **Vehicle Acquisition.**
 - a. After the Effective Date, the Provider will procure the Vehicles conforming to the specifications on **Exhibit A** and will issue a binding purchase order for the Vehicles (“**Vehicle PO**”). In accordance with the provisions of the Vehicle PO and prior to the date the Vehicles are delivered pursuant to the Vehicle PO, Provider will pay the Vehicle purchase price, including applicable fees, charges, and taxes. The term “**Initial Payment**” means (i) the amount paid by Provider pursuant to the immediately preceding sentence, plus (ii) one hundred and sixty thousand dollars (\$160,000.00), plus (iii) the demonstrated cost incurred by Provider to provide the Surety required pursuant to Agreement Section 9(c), subject to a cap of 7% of the Surety value per year. Following such Vehicle PO issuance and payment of the amount due under the Vehicle PO by Provider, in consideration of the Provider will assign and delegate to Customer the Provider’s right, title, and interest in and to the Vehicle PO under a

written assignment agreement among Customer, Provider and the Vehicle seller or dealer substantially in the form of **Schedule E-1** attached to this **Exhibit E (“Assignment”)**.

- b. As soon as possible after the Assignment of the Vehicle PO is executed and delivered, Customer shall submit the assigned Vehicle PO (which may be amended and restated to reflect the Customer as the buyer under the Vehicle PO) and supporting documentation to the Maryland Energy Administration to secure payment to Customer of the portion of the MEA Grant allocated to the Vehicles. At no out-of-pocket cost to Customer, Customer will take such actions and will execute and deliver such documents as are necessary or appropriate to timely secure the payment to Customer of the MEA Grant funds allocated to the Vehicles, and Provider will use commercially reasonable efforts to facilitate the timely application by Customer for, and the timely payment to Customer of, such MEA Grant funds.
- c. From and after the Assignment effective date, the Provider will have no obligation, express or implied, pursuant to the Vehicle PO; and Customer shall be solely responsible for performance of the Vehicle PO and acceptance of the delivered Vehicles in accordance with the terms of the Vehicle PO and any related terms, conditions, or agreements.

6. Equal Opportunity Employment.

Provider will not discriminate against any employee or applicant for employment because of age (in accordance with applicable law), sex, race, ancestry, color, religion, sexual orientation, gender identity or expression, physical or mental handicap, marital status, or political expression. Provider will take affirmative action to ensure that applicants are employed, and the employees are treated fairly and equally during employment regarding the above. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment, layoff or termination, rates of pay or other form of compensation; and selection for training, including apprenticeship. Provider agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

7. Projected Base Service Fee Schedule

Contract Year	Projected Base Service Fee*
Contract Year 1 (Starting on Operational Date anticipated FY27)	\$24,400.00
Contract Year 2 (FY28)	\$25,132.00
Contract Year 3 (FY29)	\$25,885.96
Contract Year 4 (FY30)	\$26,662.54
Contract Year 5 (FY31)	\$27,462.41
Contract Year 6 (FY32)	\$28,286.29
Contract Year 7 (FY33)	\$29,134.88
Contract Year 8 (FY34)	\$30,008.92
Contract Year 9 (FY35)	\$30,909.19
Contract Year 10 (FY36)	\$31,836.47
*	Subject to change per terms and conditions outlined within this Agreement.

Attachments: Schedule E-1 (Assignment)

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this “**Assignment**”), dated as of _____, 20__ (“**Assignment Date**”) is made and entered into by and between The Mayor and Council of Rockville, a Maryland municipality (the “**Assignee**” or “**Customer**”), with an address of 111 Maryland Avenue, Rockville, MD 20850, and HEF-P Rockville, LLC, a Delaware limited liability company (“**Provider**” or “**Assignor**”) with an address of 200 Cummings Center, Suite 273D, Beverly, MA 01915. The foregoing parties are sometimes referred to in this Assignment as a “**Party**” or collectively as the “**Parties**”. Unless otherwise indicated, capitalized terms used but not otherwise defined in this Assignment have the meanings ascribed to such terms in the Agreement (as defined below).

WITNESSETH

WHEREAS, the Customer and Provider are parties to that certain Transportation Equipment Services Agreement dated _____, as amended (such agreement as amended, the “**Agreement**”);

WHEREAS, pursuant to the Agreement, Provider issued to _____. (“**Dealer**”), Purchase Order Number _____ dated _____, 20__, (the “**Vehicle PO**”), a copy of which is attached to this Assignment as **Exhibit 1**, pursuant to which Assignor agreed to purchase, and Dealer agreed to transfer, two (2) electric shuttle buses (each a “**Vehicle**”), as set forth in the Vehicle PO;

WHEREAS, as contemplated pursuant to the Agreement and subject to the Agreement, by this Assignment, Assignor is assigning and delegating to Assignee its rights and certain obligations under the Vehicle PO.

WHEREAS, Provider issued the binding Vehicle PO and is entering into this Assignment in consideration of the covenants of Assignee pursuant to this Assignment and the Agreement.

NOW, THEREFORE, pursuant and subject to the terms and conditions of the Agreement, and in consideration of the mutual covenants set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

- 1. Assignment and Assumption.** In consideration of the performance of the Agreement by Assignee and the other covenants of Assignee set forth in this Assignment, upon and effective from and after the Assignment Date, Assignor hereby assigns, conveys, transfers, delegates, and delivers to Assignee, and Assignee hereby assumes, acquires, and accepts from Assignor, all of Assignor’s right, title, and interest in and to the Vehicle PO, free and clear of all liens, security interests, or encumbrances. Assignor represents and warrants that, prior to the Assignment Date, Provider paid and tendered \$_____ to the Dealer pursuant to the Vehicle PO.
- 2. Consideration; Liabilities Assumed.** In consideration of the assignment of the Vehicle PO effected hereby, subject to the Agreement, upon and effective from and after the Assignment Date, Assignee hereby assumes all of Assignor’s duties, obligations, and liabilities arising from and after the Assignment Date with respect to the Vehicle PO.
- 3. Representations and Warranties.** Each Party hereby represents and warrants to the other Party that as of the Assignment Date (i) it is an entity duly organized, validly existing and in good standing under the laws of its jurisdiction of organization; (ii) it has the full right, power and authority to perform its obligations hereunder; (iii) this Assignment has been duly authorized, executed and delivered by such Party; and (iv)

this Assignment constitutes a legal, valid and binding obligation of such Party, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and by general equitable principles. Further, Assignor represents and warrants to Assignee that, as of the Assignment Date immediately prior to giving effect to this Assignment: (a) Dealer has not transferred to Assignor title or risk of loss in or to any or all of the Vehicles pursuant to the Vehicle PO; (b) Dealer has not delivered to Assignor any Vehicle; (c) Assignor has not accepted delivery of, or title or risk of loss with respect to, any Vehicles; and (d) Assignor has not paid or tendered to Dealer any part of the purchase price payable for the Vehicles pursuant to the Vehicle PO.

4. **Governing Law.** This Assignment and all claims arising out of or relating to this Assignment shall be governed by the laws of the State of Maryland, without regard to conflict of law principles.
5. **Further Assurances.** The Parties agree to promptly and duly execute and deliver to each other such further documents, instruments of transfer and assurances and to take such further actions as are necessary, desirable or reasonably requested in order to carry out effectively the intent and purpose of this Assignment.
6. **Successors and Assigns.** This Assignment shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns.
7. **Acknowledgment.** By executing and delivering this Assignment where indicated below, Dealer is acknowledging the assignment and delegation effected by this Assignment and confirming that, as of the Assignment Date, the Assignee shall be entitled to the rights and subject to the obligations of the buyer under the Vehicle PO.
8. **Counterparts.** This Assignment may be executed in multiple counterparts (including by facsimile or electronic transmission), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

<<<Signature page follows.>>>

IN WITNESS WHEREOF, the Parties hereto have caused this Assignment and Assumption Agreement to be duly executed by their respective authorized officers as of the Assignment Date.

MAYOR AND COUNCIL OF ROCKVILLE

HEF-P ROCKVILLE, LLC

Signature: _____
Name: Jeff Mihelich
Title: City Manager

Signature: _____
Name: A. Duncan McIntyre
Title: CEO

Date: _____

Date: _____

ACKNOWLEDGED PURSUANT TO SECTION 7
OF THIS ASSIGNMENT AND NOT AS A PARTY:

By: _____
Name: _____
Title: _____

Date: _____

Attachment: **Exhibit 1 (Vehicle PO)**

EXHIBIT 1
VEHICLE PO

[FORM ONLY. SUBJECT TO CHANGE. FINAL PO TO BE ATTACHED AS EXHIBIT 1.]

DATE: [REDACTED], 202[REDACTED]

PURCHASE ORDER NO: [REDACTED]

REFERENCE:

[REDACTED]

BUYER:

[REDACTED]

200 Cummings Center, Suite 273D
Beverly, MA 01915

SELLER:

[REDACTED]
[REDACTED]
[REDACTED]

DELIVERY SITE(S):

[REDACTED]
[REDACTED]

	Product	QTY	Unit Price	Total
1.	[YEAR] [MAKE] [MODEL], [] Passenger Battery Electric Powered Shuttle Bus, [] lbs. GVWR Delivery to Delivery Site included the original equipment manufacturer (OEM) warranty for such Product Options and Specifications per the attached		\$ _____	\$ _____
	Sales Tax, if applicable, is additive.			
	TOTAL PRICE			\$ _____

SUPPLEMENTAL TERMS AND CONDITIONS

- 1. APPLICABILITY.** These Supplemental Terms and Conditions and the Options and Specifications attached hereto are incorporated into and made part of this Purchase Order for the above products (“**Products**”). By issuing this Purchase Order, Buyer agrees to purchase the Products from Seller, and by accepting this Purchase Order, Seller agrees to sell the Products to Buyer upon the terms, including these Supplemental Terms and Conditions, set forth in this Purchase Order.
- 2. WARRANTY.** The Products quoted herein shall be supplied with the original equipment manufacturer (OEM) standard warranty included in the attached specifications (“**Specifications**”). In addition, Seller warrants that, upon delivery of the Products to the Delivery Site(s) in accordance with is Purchase Order, (a) Seller will have full right, ownership, title, and interest in and to the Products, subject to this Purchase Order; and (b) the Products will be new and unused, shall be free and clear of all liens, imposed by or through Buyer, and shall conform to the foregoing description and the attached Specifications.

3. **ASSIGNMENT.** Buyer may, without the prior written consent of Seller, assign, mortgage, pledge, grant a security interest in, or assign and delegate Buyer’s rights, title, and interest in this Purchase Order to any lender or investor that provides debt or equity financing or other credit support, or any other third party that provides operation or support, with respect to the Products or the project that will include the Products.

4. **DELIVERY; PAYMENT.**

- a. Delivery. The Products shall be delivered to the Delivery Site(s) set forth above on or before [REDACTED], 20____. Delivery of the Products to the Delivery Side has not occurred as of the date of this Purchase Order.

- b. Payment. The Buyer will pay the applicable “Total Price” for the Products, plus applicable sales tax, if due, and the Total Price (plus applicable tax) will be due and payable to Seller no later than **ninety (90)** days following the date this Purchase Order is accepted by Seller. Upon payment of the Total Price, the Buyer shall have a first priority security interest in, and lien on, the Products; and shall be entitled to perfect such security interest and record evidence of such lien in Buyer’s discretion. If requested by Buyer, Seller will issue to Buyer written evidence that the Total Price has been paid in full. Notwithstanding any payment of the Total Price in advance of delivery of the Products to the Delivery Site(s), title and risk of loss in and to the Products shall remain with Seller and shall not transfer to Buyer until delivery of the Products to, and acceptance by Buyer of the Products at, the Delivery Site(s).

THIS PURCHASE ORDER IS ISSUED AND AGREED BY:

[REDACTED]

By: _____

Name: _____

Title: _____

THIS PURCHASE ORDER IS ACCEPTED AND AGREED BY:

[REDACTED]

By: _____

Name: _____

Title: _____

Date: _____

ATTACHMENT: **PRODUCT SPECIFICATIONS**



VENDOR: HEF-P Rockville, LLC (also, "Highland" or "Provider")
ADDRESS: 200 Cummings Center, Suite 273D
 Beverly, MA 01916
CONTACT: Emily Parish
EMAIL: Emily@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:			
CUSTOMER: The Mayor and Council of Rockville		MD-ROCKV.001	May 19, 2026
ADDRESS:		Freight Terms	<i>Prepaid</i>
111 Maryland Avenue Rockville, MD 20850		Payment Terms	<i>Annual beginning Operational Date (see attached contract)</i>
CONTACT (name & title): Denzel John Sustainability Program Manager		Est. Project Timeline	<i>18 months after Contract execution</i>
EMAIL: djjohn@rockvillemd.gov PHONE: (240) 314-8881		Quote Effective Through:	June 15, 2026

SKU	PRODUCT DESCRIPTION	QTY	LIST PRICE/	CONTRACT PRICE**	TOTAL*^
DEP-2Z2-AXX	Depot (No Vehicle): 10-11 years contract for 1 - 18000 miles & 40 - 60 kW Charger - No Vehicle maintenance and no electricity	2	\$62,662.51	\$53,263.13	\$106,526.26
Discount	Highland Price Discount	2	(\$41,063.13)^		(\$82,126.26)^
The Mayor and Council of Rockville are Sourcewell Member No. 24036; https://www.sourcewell-mn.gov/participating-agency/24036				SUBTOTAL:	\$24,400.00^
				SALES TAX:	(if applicable)
				TOTAL CONTRACT PRICE, CONTRACT YEAR 1:	\$24,400.00^

**This Quotation is subject to the provisions 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**

^ Contract Price, including stated Discount, is subject to Customer's timely tender and payment of the Initial Payment that accrues on the Operational Date pursuant to the TESA (defined in the Scope of Services). Contract Price is presented as a lump sum based on the Sourcewell SKU for 2 Units.

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 and all Exhibits to the TESA (each a "**TESA Exhibit**").

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 TESA, including the TESA Exhibits, described in this Scope of Services and in the TESA.

1. Parties:	The Parties and their respective notice addresses are as set forth on Page 1.
2. Services:	<p>Customer retains Provider to provide, and Provider will provide the following "Services" in consideration of the Base Service Fee (defined below and in the TESA) and other fees payable under the TESA and described in this Scope of Services for the period identified below:</p> <ul style="list-style-type: none"> a. Consulting Services: Planning and incentive support for fleet electrification; b. Procurement Services: Specification and purchase of Chargers, and Infrastructure (collectively, the "System"); c. Installation Services: Design, permitting, installation, and interconnection of the System; d. Training Services: System use training for Customer staff at times mutually agreed by the Parties; e. Charge Management Services: From and after the Operational Date (defined below), License to Customer of Provider's fleet management software platform ("Platform") under the Platform License (defined in and pursuant to the TESA); and f. Operations Services: From and after the Operational Date, operation and maintenance of Chargers and Infrastructure.
3. Vehicles; Chargers; System; Platform:	<p>Provider's Services will be based on the operation and use of:</p> <ul style="list-style-type: none"> (a) Electric vehicle charging stations installed at the Premises, as further described on the preliminary System Site Plan attached as TESA Exhibit B (each, a "Charger"); (b) Related equipment and infrastructure installed at the Premises, consistent with TESA Exhibit B (collectively, "Infrastructure," Chargers, and Infrastructure, collectively, the "System"); and (c) 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 TESA. <p>The Services and System will be provided in support of two (2) electric shuttle buses, as further described on TESA Exhibit A (each, a "Vehicle");</p>
4. Premises:	<p>The Chargers and Infrastructure will be installed and operated at, and the Vehicles will be stored at, the real property and improvements thereon (the "Premises") owned and occupied by Customer and having a street address of: 14625 Rothgeb Drive, Rockville, MD 20850.</p> <p>TESA Exhibit 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 TESA.</p>
5. Operational Date; Anticipated Operational Date:	<p>The date the Parties agree that the System is capable of being operated in accordance with the TESA is the "Operational Date," as further described in the TESA.</p> <p>The System will be operational, as contemplated by the TESA, on the date ("Anticipated Operational Date") that is eighteen (18) months after the Effective Date.</p>
6. Term:	(a) " Initial Term ": The period beginning the Operational Date and ending on the last day of

	<p>the tenth (10th) Contract Year (defined below).</p> <p>(b) "Extension Term": None, unless otherwise agreed.</p> <p>(c) "Term" 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) "Contract Year" means for the first Contract Year, the period beginning on the Operational Date and ending on the June 30th that is at least 12 months after the Operational Date; and for any other Contract Year, the 12-month period in the Term beginning on July 1.</p>
7. Performance Assurances:	<p>Subject to and as further detailed in the TESA, Provider's Services are supported by the following performance assurances:</p> <p>Charger Uptime Guarantee. Provider guarantees that the Charger ports will be "Available" (defined in the TESA) to charge the Vehicles, measured each Contract Year based on a minimum Availability percentage or minimum uptime hours, subject to agreed exclusions, all as provided in, and subject to, the TESA.</p> <p>Service Promise: Provider agrees to promptly respond to Customer requests regarding System issues and to regularly evaluate the System for performance matters.</p>
8. RESERVED.	
9. Provider Use of System:	<p>As detailed in the TESA, Provider has the right to use the System, including to deploy the System to provide grid services (demand response and similar), and charging (including charging-for-a-fee), so long as this Provider use does not interfere with the Services.</p>
10. Fees; Performance-Based Credits:	<p>(a) "Base Service Fee" means \$24,400.00 for the System Services per 12-month Contract Year, subject to proration for the first Contract Year, subject to timely payment by Customer of the Initial Payment per Vehicle (defined below), and subject to escalation beginning the second Contract Year at a rate ("Annual Escalator") equal to 3%/year, subject to Customer's rights pursuant to TESA Exhibit E. The Base Service Fee for the first Contract Year also is referred to as the "Contract Price."</p> <p>(b) "Initial Payment" has the meaning assigned to it pursuant to TESA Exhibit E.</p> <p>(c) Subject to Permitted Exclusions (defined in the TESA) and the provisions of the TESA relating to the provision of a redundant charging station, (i) if the Charger Uptime Guarantee is not satisfied in a Contract Year, then, for each 1% below 97% that System Chargers are not Available in that Contract Year, Provider will provide "Availability Credits" to Customer equal to 1% of the aggregate Base Service Fee paid for the Contract Year; and (ii) if a "Penalty Event" (as defined in the TESA) occurs in a Contract Year, then, Provider will provide a "Penalty Availability Credit" to Customer equal to 1% of the aggregate Base Service Fee paid for the Contract Year.</p> <p>(d) The total amount of Availability Credits and Penalty Availability Credits that accrue in a Contract Year are capped at 20% of the aggregate Base Service Fee paid for that Contract Year.</p>
11. Vehicle Maintenance:	<p>Customer will be responsible for all Vehicle Repair Work (defined in the TESA), including related Vehicle towing, all in accordance with the TESA.</p>
12. Existing Incentives:	<p>An "Existing Incentive" means accelerated depreciation for Vehicles and Chargers. Existing Incentives shall be paid or credited to Provider.</p>
13. Interconnection Limit:	<p>\$21,000.00, which covers the "Interconnection Cost" (defined in the TESA) to connect the System to an on-Premises connection point and to interconnect from that point to the local electric utility system.</p>
14. Governing Law; Venue:	<p>This Purchase Order and the TESA shall be governed by and construed in accordance with the domestic laws of the State of Maryland, without reference to any choice of law principles. The state courts of Maryland and the federal courts sitting in Baltimore, MD, shall have exclusive jurisdiction over any action or proceeding arising under the TESA, with venue lying in Baltimore, MD.</p>
15. Other:	<p>See Customer Specific Provisions on TESA Exhibit E.</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

SHIPPING INFORMATION

Name: The Mayor and Council of Rockville
Address: 111 Maryland Avenue
Rockville, MD 20850
Contact: Denzel John
Sustainability Program Manager
Phone: 240-314-8881
Email: djohn@rockvillemd.gov

Name: The Mayor and Council of Rockville
Address: 14625 Rothgeb Drive
Rockville, MD 20850
Contact: Denzel John
Sustainability Program Manager
Phone: 240-314-8881
Email: djohn@rockvillemd.gov

The Mayor and Council of Rockville

Authorized Signatory Name (PRINT)

Authorized Signatory's Signature

Title

Date

Phone

Email

Remit signed Quotation/Orders to:
HEF-P Rockville, LLC c/o HIGHLAND ELECTRIC FLEETS, INC.
200 Cummings Center, Suite 273D, Beverly, MA 01915
SOURCEWELLORDERS@HIGHLANDFLEETS.COM

THANK YOU FOR YOUR BUSINESS!