

**BLUE1 ENERGY EQUIPMENT
STANDARD TERMS AND CONDITIONS**

1) General

1a. Acceptance – These Terms and Conditions, together with any information or documents incorporated in by reference or attached to the applicable sales order or sales order acknowledgement, contain the entire and exclusive agreement (“Agreement”) between Blue1 Energy Equipment and its customer (“Customer”) and supersede any other understandings or agreements, verbal or otherwise, unless expressly set forth in this Agreement. Blue1 Energy Equipment may also be referred to as “Blue1” within this document. Delivery of the equipment or materials or parts purchased, or installation of the equipment, or Customer’s acceptance of such equipment (in writing or orally) or receipt of the invoice coupled with a failure to object to specific provisions within 10 days shall constitute a binding acceptance by Customer of the equipment or materials delivered or services rendered and all the terms as provided herein. Customer agrees to accept invoice when equipment is available for shipping, whether it is shipped or delayed per the Customer’s request but through no fault of Blue1 Energy Equipment.

1b. Applicable Laws – This Agreement shall be governed by and interpreted in accordance with the laws of the State of Georgia, U.S.A. Any cause of action arising hereunder or related in any hereto shall be brought only in the federal or state courts in or nearest Duluth, Georgia and Customer hereby irrevocably submits to the jurisdiction of such courts. Any action arising out of or related to this Agreement against Blue1 Energy Equipment must be commenced within one (1) year from the date of the right, claim, demand or cause of action shall first occur, or be barred forever.

2) Prices; Terms of Sale; Credit

2a. Prices - Published prices for goods and services of Blue1 Energy Equipment are quoted in U.S. dollars and are subject to change without notice. All prices are quoted in good faith; however, from time to time, manufacturers may change their prices without notice prior to shipment or we may quote an incorrect price, or applicable taxes may increase, in which case any such price or tax increase may be added to Customer’s price.

2b. Taxes and Fees - All prices and amounts due from this invoice will include all state, local and municipal taxes unless Customer provides a certificate of exemption or similar document exempting a payment from an applicable tax.

2c. Credit, Deposits and Payments - All payments are to be made to Blue1 Energy Equipment at the address indicated and pursuant to the terms on the face of the applicable invoice. All credits and terms of sale must be approved by Blue1 at the time of the order and are subject to review and approval during the life of the open order. A twenty-five percent (25%) deposit is required for all orders greater than ten-thousand dollars (\$10,000.00). A finance charge of up to 1.5% per month (or 18% per annum) may be charged on any unpaid balance remaining after the due date under the invoice terms. If payment is not made promptly when due, Customer must pay all costs and expenses of collection, including reasonable attorneys’ fees. Offered terms may include a quick pay discount (such as a stated percentage if paid within ten days from invoice date) which shall only be applied if the payment is within those

parameters as evidenced by the check date and postmark. Credit card payment greater than \$3,000 will have all applicable bank fees added to the final invoice.

3) Delivery; Shipment Terms; Freight Damage Claims

3a. Shipping Dates and Delays - Shipping dates are approximates and are contingent on fire, accidents, labor disputes, floods, severe weather, raw material availability, installation schedules, transportation delays, acts of God, or other causes beyond the control of Blue1 Energy Equipment. Blue1 will use its utmost effort to perform satisfactorily in its shipping and delivery obligations, but shall not be liable for delay for any reason or for damage in transit of any materials or equipment furnished after F.O.B. point or delivery to a common carrier.

3b. Partial Shipments - Blue1 Energy Equipment may make delivery in installments unless expressly forbidden in the sales order or its acknowledgement and those installments may be separately invoiced. All such installments, when separately invoiced, shall be paid for when due deliveries. Blue1 reserves the right to charge an expediting fee where special delivery or handling circumstances might apply or are requested.

3c. Shipping Terms and Risk of Loss – Unless otherwise indicated by the Customer, the F.O.B. (Free On Board) point will be the Blue1 Energy Equipment factory, or if drop shipped direct from Blue1’s supplier, the F.O.B. point will be that supplier’s factory. All freight charges will be considered “prepay and add”. All freight and any applicable export fees, custom duties and tariffs shall be paid by the customer. If shipment is designated for export outside the U.S. than Blue1 will deliver to the customer’s designated export broker or agent. Whenever merchandise is delivered to the designated F.O.B. point, a common carrier, or is received by Customer, Blue1’s responsibility ceases and full risk of loss and title passes to Customer and Customer shall be liable to Blue1 for the full price of the merchandise.

3d. Make, Bill, Hold and Storage - Delivery of the equipment or material (when all assembly or manufacturing is completed) to the premises of Blue1 Energy Equipment for purposes of convenience, coordination or price protection shall be considered “delivery” for invoice purposes and the payment terms period shall start when such delivery is made and proper notification to Customer is made. If any shipment is held per the Customer’s request more than ten days, customer must accept receipt of final invoice and potential charges for storage.

3e. In Transit Damage and Unloading - If any damage is evident upon delivery by a common carrier, Customer must make a notation on the freight bill of lading and have the carrier’s agent sign upon delivery for claim record. Customer must immediately notify Blue1 Energy Equipment and file a claim with the carrier, as Blue1 assumes no responsibility for goods damaged in shipment. Shortages or hidden damages or defects to goods must be reported to Blue1 and the carrier within 30 days of receipt of shipment. The quoted prices do not include the cost of unloading, which is Customer’s responsibility.

3f. Force Majeure – Other than a party’s payment obligations under this contract, neither party shall be liable for any default or delay in delivery due to causes beyond its reasonable control

such as acts of God, civil or military authority, fires, strikes, floods, tornadoes or government regulation. In the event of such delay, the delivery shall be extended for a period equal to the time lost thereby.

4) Limited Warranty, Indemnity and Hold Harmless

4a. Warranties for DEF Systems and Products – Except as otherwise set forth in this Agreement, Blue1 Energy Equipment warrants that all DEF Systems and other DEF Products assembled or manufactured by it or its representatives, will meet the specifications and functionality as published by Blue1 for a period of 12 months from the date of testing and start-up or 15 months from the date of shipment (or availability for shipment) from the Blue1 factory, whichever occurs first. If within the warranty period, such goods shall be proved to Blue1's satisfaction to be non-conforming, Blue1 will either, at its sole discretion, (a) repair the system or assembly, (b) replace the applicable defective part(s), or (c) return the entire system or assembly without charge. Customer must notify Blue1 in writing within the warranty period of any such alleged defects. Blue1, in its sole discretion, may require Customer to return the defective part or parts to the Blue1 assembly plant for verification of any claim.

4b. Unaltered Parts and Pieces - Blue1 Energy Equipment does not extend warranties to customers for their purchase of parts and materials manufactured by others and forwarded or sold unaltered by Blue1. Such products may be warranted by their manufacturer and it is Customer's obligation to register any applicable warranty with the manufacturer.

4c. Hold Harmless - Customer agrees to hold Blue1 Energy Equipment harmless from and defend and indemnify it against any losses sustained by Customer or Blue1 or claims made against those parties in connection with any property damage, personal injury or death and related attorney's fees (including, without limitation, claims made by governmental entities and pollution control authorities) except to the extent that said damage, personal injury or death is proven to have been caused by Blue1's sole negligence. Where a penalty, fine or claim for pollution damage or cleanup is made against Blue1 as a result of or in connection with installation of materials and equipment, Customer agrees to hold Blue1 Energy Equipment harmless from and defend and indemnify it against same.

4d. Limitations of Warranties – The warranties described in these Terms and Conditions shall be valid and remain in effect only if: (1) the goods are used, maintained, installed, stored and repaired by Customer as required by all applicable documentation; (2) Customer has paid Blue1 Energy Equipment all sums due hereunder; (3) Customer has not in any way modified the goods; (4) the claim is unrelated to normal wear and tear, or to any item normally consumed in its intended operation or that has a normal life inherently shorter than the applicable warranty period; (5) the claim is unrelated to the failure by Customer to follow the most current instructions issued by Blue1 with respect to the proper use of the goods; (6) the claim is unrelated to Customer's provided materials, assembly, specifications or designs or the negligence of act of Customer or any third party; (7) there has been no operation or use of the goods under conditions more severe than those for which the goods were specified; or (8) the claim is unrelated to force majeure. Any modification of Blue1 systems or equipment may void the warranty in its entirety.

4e. No Changes - No employee or representative of Blue1 Energy Equipment is authorized to change this warranty or its limitations in any way.

5) Cancellation and Return of Goods

5a. Cancellations, Returns - Customer may cancel an order only upon written approval of Blue1 Energy Equipment and in accordance with all the provisions of any operating agreement (including, without limitation, a Distribution Agreement) and provided Customer pays Blue1 reasonable cancellation charges and restocking fees. No merchandise or assembled system is returnable without the written consent of Blue1 Energy Equipment (a "returned goods authorization" or "RGA") with shipping instructions provided. At the option of Blue1 Energy Equipment, such returned goods authorization may result in material remaining on the property of Customer, and it will be stored at Customer's risk and expense.

5b. Handling and Restocking Fees – Restocking fees will apply as follows:

For Stock Items

Not shipped	15%
Items shipped	25%

For Mini-bulks or other assembled systems:

If parts or materials have been ordered, cancellation of the order are at the sole discretion of Blue1 Energy Equipment. Mini-bulk and assembled systems are built to order and customized per the order confirmation details. If Blue1 authorizes the cancellation, a re-stocking fee of 25% will apply.