

GAS TECHNOLOGY ENERGY CONCEPTS LLC
TERMS AND CONDITIONS OF SALE

1. GENERAL. These terms and conditions (“Terms”) constitute the entire agreement between the parties. All sales by Gas Technology Energy Concepts LLC (“Seller”) are expressly conditioned upon the Terms, which supersede all prior negotiations, correspondence and statements. Seller expressly rejects any conflicting terms of Buyer in any P.O. or other document. Acceptance of Buyer’s order is expressly conditioned upon Buyer’s acceptance of or assent to Seller’s Terms which shall be established by a written acknowledgment, by implication, or by acceptance, retention, or payment for goods ordered. Seller’s failure to object to provisions contained in any communication from Buyer shall not be deemed a waiver of these Terms. Seller must specifically agree to any changes in the Terms in writing signed by an officer of Seller.

2. SHIPMENT. All shipments are made F.O.B. Seller’s shipping point unless otherwise specified. In the absence of specific instructions, Seller selects the carrier, route, packaging, etc. Title to goods and risk of loss pass to Buyer upon delivery by Seller to the carrier or delivery service. Buyer assumes all risk of loss in shipping and all liability for loss or damage, whether direct or indirect, consequential or otherwise, including delay, once the goods have been delivered to the carrier. Buyer shall purchase any and all insurance it deems necessary to protect it against any loss in shipping. All claims for loss or damages incurred in shipment must be placed with the carrier by Buyer. No loss shall relieve Buyer of its obligations herein. All claims for shortages, error, or defective material must be made within 10 working days after receipt of goods.

3. PAYMENT TERMS. When, in Seller’s opinion, the financial condition of Buyer so warrants, or if Buyer fails to make a payment when due, or otherwise defaults hereunder, Seller may at any time alter terms of payment, suspend credit, and/or delay shipment until such terms are met, and/or pursue any remedies available at law.

- **Purchase On Credit:** This or prior purchases of Buyer from Seller may have given rise to the extension of credit to Buyer. Seller’s standard terms of payment are NET 30 days from date of invoice. Seller reserves the right at any time to revoke any credit extended to Buyer because of Buyer’s failure to pay for any goods when due or for any other reason deemed good and sufficient by Seller, and in such event all subsequent shipments shall be paid for prior to or upon delivery. If an invoice is not paid when due, or in any other dispute or claim arising from the sale of the goods between Buyer and Seller, Buyer shall pay all attorneys’ fees, whether incurred in or out of court, on appeal, in arbitration, in Bankruptcy Court, or in any insolvency proceedings, and any agency fees incurred in collecting the amount due. Seller also may charge the lesser of 1-1/2% per month or the highest lawful monthly contract rate on overdue accounts.
- **Retention of Security Interest:** Seller retains, and Buyer grants, a security interest in the goods securing the payment of their purchase price. Buyer shall execute such financing statements or other acknowledgments as Seller may request to perfect the security interest.
- **Credit Cards:** Seller accepts Visa, MasterCard, and American Express credit cards only. It is necessary to give the credit card expiration date at the time of each order. Freight charges will be added at the time of order.
- **Pricing/Taxes:** Price of goods shall initially be set forth in Seller’s price list at the level established by Seller. Seller reserves the right to change any or all of its prices upon thirty (30) days’ written notice. Buyer shall pay any applicable present or future tax or other government charge upon the production, sale, shipment or use of goods or services unless Buyer provides Seller with an exemption certificate acceptable to the applicable taxing authority.

4. RESPONSIBILITIES. Buyer represents that it has the experience, skills, facilities and personnel to perform the activities described below. Buyer acknowledges that Seller is relying on Buyer to do so and that Seller is not expected to perform any of these activities. Buyer shall indemnify and hold harmless Seller and its agents and employees from claims or damages arising from these activities.

- Analysis of end-user needs and selection of products appropriate to meet such needs.
- Physical installation of the goods per Seller's Operation and Installation Manual.
- Training end-user personnel on the operation of the system.
- Providing required post-installation support and service to the end-user.
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- **Promotion:** Buyer will use its best efforts to promote the sale of products to end users vigorously and aggressively as part of its normal ongoing business activities and shall respond promptly to all inquiries for information from end users.
- **Non-Exclusivity:** Seller has the right to distribute products through other buyers or agents, whether already in existence or subsequently appointed.
- **Buyer's Independence:** Buyer is an independent contractor and may not represent itself as agent or employee of Seller. All costs, charges and expenses incurred by Buyer in connection with sales or sales promotion, e.g. advertising, publicity, traveling expenses, postal fees, salaries, sales commissions and expenses of representatives and employees, are fully the cost and expense of Buyer. Buyer will indemnify and hold Seller harmless for claim made by any agent, representative, salesman or employee of Buyer for salaries, commissions or reimbursement of expenses in connection with the promotion and sale of the goods.
- **Resale of Goods:** Buyer may not resell Seller's products and other equipment to parties other than end users, without written permission from Seller. Unauthorized resale may result in termination of sales to Buyer.
- **Termination:** Buyer will no longer be eligible to purchase Seller's products if: (i) a receiver is appointed for Buyer or its property, (ii) Buyer becomes insolvent or unable to pay its debts as they mature in the ordinary course of business or makes an assignment for the benefit of its creditors, (iii) any voluntary proceedings are commenced by or for Buyer under any bankruptcy, insolvency, debtor's relief statute or similar law, (iv) any proceedings are commenced against Buyer under any bankruptcy, insolvency, debtor's relief statute or similar law and such proceeding shall not be vacated or set aside within three (3) days of commencement thereof, (v) Buyer is liquidated or dissolved; or (vi) on the thirtieth (30) day after either party gives the other notice of a material breach by the other of any Term or of any other agreement between Seller and Buyer relating to Seller's goods unless the breach is cured before that day.
- **Effect of Termination:** After termination Buyer may continue to sell the goods in its possession for which it has paid in the ordinary course of business. Termination shall not change payment obligations arising prior to termination.

5. PROPRIETARY RIGHTS. Buyer has no Proprietary Rights ("Proprietary Rights" mean all Seller's worldwide patent rights, patent applications, rights to apply for patents, copyrights, copyright registrations, trade secrets, service marks, trademarks, service mark and trademark registrations, related goodwill and confidential and proprietary information) in the goods or any other materials received from Seller.

6. PATENT INFRINGEMENT. Seller will not be liable for any claim of infringement unless due to infringement by goods manufactured by Seller in the exact unmodified form in which we supply such goods to Buyer. Upon prompt notification by Buyer of any such claim of infringement and, if Seller so requests, authorization for Seller solely to defend or settle any suit or controversy involving such claim, Seller will indemnify Buyer against the reasonable expenses of any such suit and will satisfy any judgment or settlement in which Seller acquiesces, but only to an amount not exceeding the price paid to Seller for the allegedly infringing goods. If an injunction is issued against the further use of allegedly infringing goods, Seller shall

have the option of replacing them with non-infringing goods or of removing them and refunding the purchase price. The foregoing expresses Seller's entire and exclusive warranty and liability as to patents, and Seller will not be liable for any damages whatsoever suffered by reason of any infringement claimed, except as provided herein. Buyer will hold Seller harmless and indemnified against any and all claims, demands, liabilities, damages, costs and expenses resulting from or connected with any claim of patent infringement arising out of the manufacture or modification of goods in accordance with Buyer's design or specifications.

7. RETURNS. Prior approval from Seller's Order Processing Department is required for all goods returned for credit. Such goods must be unused, in original factory condition, packaged in original factory packaging, and returned to Seller, freight prepaid. Goods will not be accepted for credit if returned more than 30 days after date of invoice. Returns for credit through no fault of Seller are subject to a restocking charge of 15% of invoice value.

8. LIMITED WARRANTY. Seller warrants to the original purchaser of each new product, for a period of one year from the date of purchase, that all parts of the System are free from defects in workmanship and material pursuant to the terms of the G-TEC Natural Gas Systems One-Year Limited Warranty (the "Limited Warranty"). Written notice of any such defect must be given in writing during the warranty period to Seller. Seller's sole obligation under this limited warranty is to repair or replace any part of the System that, in the judgment of Seller, is defective. If requested any defective part must be returned freight prepaid to Seller's designated assembly plant, for examination and verification of the existence of the defect. Seller assumes no responsibility for the payment of transportation.

THIS IS SELLER'S EXCLUSIVE AND COMPLETE WARRANTY FOR THE SYSTEM. NO PERSON WHATSOEVER IS AUTHORIZED TO MAKE ANY REPRESENTATION, WARRANTY OR PROMISE ON BEHALF OF SELLER. SELLER MAKES NO OTHER EXPRESS WARRANTIES AND DISCLAIMS ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE REMEDIES SET FORTH ABOVE FOR REPAIR OR REPLACEMENT OF PARTS OR MATERIALS ARE EXCLUSIVE OF ALL OTHER REMEDIES. NEITHER SELLER NOR ITS DISTRIBUTORS OR DEALERS SHALL, UNDER ANY CIRCUMSTANCES, BE RESPONSIBLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO, EXPENSES FOR GASOLINE, TELEPHONE, TRAVEL, LODGING, LOSS OF OR DAMAGE TO PERSONAL PROPERTY, LOSS OF REVENUE, LOSS OF TIME, OR INCONVENIENCE.

Any provision of this Limited Warranty that is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. Any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

9. LIMITED WARRANTY FROM BUYER TO ULTIMATE CUSTOMER; INDEMNIFICATION OF SELLER

Buyer shall deliver to each of its customers a Limited Warranty in substantially identical form as the above limited warranty Term. If Buyer resells any goods, Buyer will include in the contract for resale terms which limit recoveries against Seller in accordance with these Terms (including Sections 8 and 9 herein). Buyer hereby assumes all liability for, and shall indemnify, defend, and hold Seller and its employees and agents harmless against all suits, claims, demands, causes of action and judgment relating to any loss, damages or expenses (including attorney's fees and expenses, whether incurred between parties to these Terms or between the Seller and any third party), whether to personal injury or to personal property and whether suffered by any person, firm, corporation or other entity, including, but not limited to, Buyer's customers and/or users of the

goods, for any reason, including a failure of the Buyer to detect and/or warn of the danger for which the goods were designed or as a result of any modifications made to the goods by any party other than the Seller, whether or not such damages are caused or contributed to by the sole or joint concurring negligence of Seller. Seller shall not be liable to Buyer or any third party for any attorney's fees or expenses incurred in connection with any claims, liabilities, losses, and damages. Seller's liability for any loss, damages or expenses related to the goods shall be limited to the purchase price of the goods sold or delivered hereunder which are the basis for any claim hereunder.

10. EXCHANGE AND REPAIRS. Warranty Exchanges and Repairs: Prior approval from Seller is required for all goods exchanged or repaired under warranty. If defective goods are returned under warranty, Seller may, in its sole discretion, exchange them for like goods, repair them at no repair charge to Buyer, or refund their purchase price to Buyer. Advance warranty exchanges may be available, at the sole discretion of Seller, within 30 days of the original installation date, upon determination by Seller that the goods are defective. Advance exchanges will result in an invoice from Seller to Buyer or end user for the full value of the advance goods exchange, plus upgraded or non-domestic freight and insurance on the shipment. If the exchanged unit is returned within 30 days and the warranty claim is valid, then Buyer or end user will be credited for the returned goods value. Advance replacement shipments outside the United States will be shipped freight prepaid or freight collect. **Repairs Outside of Warranty:** Repairs of goods outside the warranty period are subject to continued availability of any component needed in the repair, and will be invoiced at the repair price existing at the time of the repair, plus any freight and insurance charges. Seller reserves the option to replace goods returned for repair with like goods at the then existing repair price. Repair shipments will be shipped freight prepaid or freight collect. Items returned for repair which Seller deems to be "Beyond Reliable Repair" will be either discarded by Seller or returned to Buyer or end user at its expense plus a \$250 evaluation service charge. The defect corrected by the repair (and no other) is warranted six months from the date of repair.

11. FORCE MAJEURE. Seller shall have no liability whatsoever, nor shall this order be subject to cancellation, for delays in delivery due to acts of God, civil riot or commotion, strikes, labor disturbance, vandalism, fire, war, insurrection, transportation, weather, federal, state or municipal orders and directions, default of a supplier or contractor, or any other cause beyond Seller's control. In the event of a force majeure event, the specified delivery date shall be extended for a reasonable length of time, but not less than the period of delay.

12. MISCELLANEOUS. Seller's election to waive any Term shall not be deemed a waiver of any other Term, nor as a continuing waiver, and Seller reserves the right to subsequently enforce such Term. Stenographic and clerical errors and omissions are subject to correction. This Agreement shall be deemed entered into in the State of New York, and the laws of New York shall govern its validity, performance and construction. If any provision of these terms is held to be invalid, the invalidity shall not affect the remaining provisions herein.

13. ASSIGNMENT. Buyer's rights and obligations hereunder may not be assigned without Seller's prior written approval.