



## Performance Contract Shared Savings Agreement

Between Stanlin Energy Corporation. A Nevada Corporation and:

\_\_\_\_\_ Hereinafter Client.

This agreement authorizes Stanlin Energy Corporation. Hereinafter (SEC) to perform or have performed draft, combustion and thermal efficiency tests and analyses on all furnaces, hot water heaters and boilers located at the

\_\_\_\_\_ Facility (If more than one facility please use a separate sheet of paper identifying the properties.).

If SEC determines there is an application where, by installing the SEC Technology, there is a reasonable expectation fuel consumption will be reduced, CLIENT will provide SEC with copies of their monthly fuel and water bills at CLIENT for the previous thirty-six (36) months as well as any other numbers that may effect space and hot water heating. (Larger Industrial and or Multi-State Companies that have unique logistics are quoted based on all applicable circumstances that affect fuel use.)

If job falls beyond the scope of SEC's standard options A or B listed below. A Scope of Work, Exhibit A, will be completed identifying the boilers, furnaces and hot water heaters affected to be provided for approval before installation will begin.

With this information, SEC will establish a base line to compare with new fuel consumption numbers with the Technology installed. SEC will then issue a written report to CLIENT with an estimate of potentially achievable savings. \*Actual savings will be shared fifty-fifty (50/50) between CLIENT and SEC for a period of ten (10) years beginning with the first month billing after the Technology has been installed. Note: On units greater than 1,000 HP a small set-up fee equal to \$3.00 per horse power may apply.

If at some future point Facility is expanded or has modifications that noticeably affect fuel consumption we will use either of 2 options:

**Option 1)** Use the actual savings for all prior months' system has been installed as a baseline. Take that baseline savings percentage and apply it towards future billing months during contract. (Example: If we averaged 14% savings over the prior ten months then a new wing is installed. We will assume future shared savings at that 14% baseline from that point forward and company will pay 7% of bill to SEC for remainder of term.)

**Option 2)** System can be purchased outright or leased through a capital lease based on 3 years savings from the prior month/months since unit was installed actual

Initial \_\_\_\_\_



savings at the current cost of fuel at time of payment. CLIENT will issue a check to SEG for SEC's fifty percent (50%) savings within seven (7) business days of CLIENT receiving their fuel bill along with a copy of the CLIENT's monthly billing statement from fuel company. The calculation for the shared savings will be the amount of reduced consumption times the current fuel unit cost rate divided by two (2).

At the end of this Shared Savings Agreement, CLIENT may pay one dollar per boiler and begin receiving 100% of savings.

**Buyout Option:** CLIENT at any time may, as an option, pay SEC an amount equal to thirty-six (36) months of estimated fuel usage savings, based on the fuel rate at the time of the buy-out, any time during the life of this agreement. CLIENT would then receive 100% of the savings from reduced fuel consumption on-going.

Manufacturing and shipping of the Technology will be paid by SEC. The installation of the Technology will be paid by CLIENT by either of the following two options:

**Standard Installation Options:**

- (A) Installation of the SEC Technology will be by technicians selected by SEC.
- (B) Client has qualified licensed technicians available to install technology and tune appliance. These technicians will receive an orientation on the proper installation methods prior to installing.

Client will supply an initial refundable deposit of \$750.00 per forced draft appliances. (\$400.00 per appliance for atmospheric units.) Upon Testing facility if there is no application available client will be refunded said deposit on units that have no application. This deposit will come off of the last month/Months of the contract term.

This agreement is accepted by: Company Name \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Facility Address: Street \_\_\_\_\_

Address Continued: City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

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

I express that I have proper Authority to enter into this agreement with Stanlin Energy Corporation.:

Authorized Signature \_\_\_\_\_ Date: \_\_\_\_\_

SEC's Processor Info:

Name \_\_\_\_\_ Phone number \_\_\_\_\_