

EcoEthic Solar L.L.C. — Terms and Conditions

- DEFINITIONS.** In this contract “**Agreement**” means this Installation Agreement between the Customer and EcoEthic Solar L.L.C. or their agents (hereinafter “EES”). “**Customer**” means the customer described in the Customer Information section on the accompanied Quote or Invoice. “**Premises**” means the location where the Work is completed as described in the Customer Information section on the accompanied Quote or Invoice. “**Property**” means real or personal property onto which the Work is completed as described in the accompanied Quote or Invoice. “**Work**” means the installation of those products and the completion of those services specified on the Quote or Invoice or any permitted amendments to it and any accompanying documents.
- SCHEDULING.** EcoEthic Solar L.L.C. (“EES”) will expeditiously complete the work, subject to availability of materials, ability to obtain the quality and quantity of materials and/or equipment to perform its work, availability of adequate sewer, water, electricity, gas or any utility service, restricted access to the worksite, delays in communications with Customer or their representatives, unforeseen site conditions, inclement weather, changes in the work, lack of timely receipt of payment from Customer, or other causes beyond EES’s control. EES shall be entitled to additional compensation if there are scheduling changes not caused by EES, including but not limited to: (1) Customer directs EES to proceed with work but site is not ready for EES; (2) EES is forced to suspend performance of its work, however temporary the suspension may be; and/or (3) EES is directed to perform work out of normal sequence.
- PAYMENT.** Payment for direct sales is due in full at time of ordering. Payment for installation jobs requires an initial 50% deposit, the invoice for which is due before an installation date can be assigned, and final 50% invoice is due to at time of job completion. When a deposit is required, the deposit shall be credited to Customer upon the final invoice to Customer. Unless otherwise agreed upon in writing, Customer shall not be entitled to withhold any retainage or retention from progress payments to EES. Any accrued balance owing and unpaid to EES, regardless of whether the amount in dispute is liquidated or unliquidated, shall bear interest at 1.5% per month from the date payment is due.
- CHANGES IN THE WORK.** Any requested changes, whether it be scope of work, the materials used or the design layout, shall be made directly to EES or to a lead person designated by EES. Changes should be reduced to a written change order signed by both Customer and EES in order to avoid misunderstandings over cost or scope of the change. Customer shall be obligated to pay EES at EES’s hourly rates for time preparing change orders that Customer later decides not to proceed with. If Customer accelerates the schedule of EES’s work, Customer shall be obligated to pay for any overtime labor performed by EES at overtime rates. Customer may elect to verbally authorize or approve a change order, in which case EES may proceed as directed by Customer without a written change order. However, unless a change order is executed in writing with a fixed price, the new work shall be paid for on a “Cost Plus”, regardless of

Client Initials: _____

whether the Customer selected the fixed price option for the original contract work. EES reserves the right to decline a request to perform extra or changed work.

5. **EES PERFORMANCE.** EES shall provide the Customer with a detailed written description of the installation including the size and position of the collectors, the anticipated routing for connecting wires and the size and placement of the storage bank(s). EES will make available to the Customer before and after pictures of the installation at the time of completion. Systems have been sized to accommodate Customer's budget and basic energy needs, while offering the ability for future expansion. Site selection has been determined based on maximizing solar capture given the site's shading conditions. All solar energy projections have been sourced from the 1961-1990 National Solar Radiation Data Base (NSRDB). Underproduction may arise due to periodic inclement weather, changes in season (winter has the lowest potential for solar capture), damage by foreign objects acting on your solar system, or failure to comply with your obligations under this Agreement.

6. **CORRECTIONS.** Customer shall not repair or replace any alleged defective work of EES until after EES is provided with notice and reasonable opportunity to repair or replace any alleged defective work. If Customer repairs or replaces allegedly defective work without first affording the above-described opportunity to EES, Customer accepts all work "AS IS" and waives any claim against EES for Customer's cost to correct the alleged defective work. In the unlikely event that Customer remains unsatisfied with EES's repair after providing EES with access and opportunity to repair or replace the alleged defective work as stated above, and Customer chooses to hire a third party to repair or replace the alleged defective work, Customer shall first provide EES with written notice and reasonable opportunity for EES to take pictures of EES's work at the job site prior to undertaking repair or replacement of the alleged defective work. Otherwise, any disagreement between Customer and EES as to the state of EES's work when EES's services were terminated shall be resolved in favor of EES and Customer shall be deemed to have accepted all of EES's work "AS IS" and waives any claim against EES for Customer's cost to repair or replace the alleged defective work.

7. **PUNCH LIST.** At such time that EES determines that the work is substantially complete, EES shall notify Customer of substantial completion and invoice Customer. Customer may review the work performed by EES and identify in writing any items that Customer believes should be corrected or completed ("punch list"). There shall be no more than one punch list. The punch list shall be signed and dated by Customer and EES. EES shall complete the punch list items for which EES is responsible. Upon EES's completion and/or correction of the work identified on the punch list, the final payment shall be paid within ten days to EES.

8. **WARRANTY.** EES and any subcontractors shall use appropriately skilled labor, equipment and materials to perform the Work in strict conformance with the provisions of any and all applicable laws, regulations, codes, standards, bylaws and manufacturer's instructions and specifications. EES will correct any of its work that does not comply with its warranty, subject to the conditions and limitations listed

Client Initials: _____

below. EES may hire another company to perform EES's warranty work. The decision as to whether EES or another company performs EES's warranty work shall be made exclusively by EES. **If Customer or its agent repairs or replaces EES's work, Customershall not be entitled to any reimbursement from EES.**

- **One-Year Period.** EES's warranty expires one year after the last day that EES performs work at the project. Punch lists, repair work, warranty work, meter installation by utility provider, and system walkthrough/client training do not extend the warranty period. Any repair work or warranty work performed by EES or its agent shall not extend the warranty period
- **Notice Procedure.** EES must be given written notice of a warranty claim before the one-year warranty period expires. No lawsuit may be filed for any warranty claim that is not delivered in writing to EES before the one-year warranty period expires.
- **Full Payment as Condition Precedent.** Full payment of EES's final invoice at time of direct sale order, and final invoices for installation jobs due as described in Section 3 Payment, is a condition precedent to the operation of EES's If Customer does not pay the full balance of the final invoice to EES or deposit said funds in the manner described upon job completion, then Contractor's warranty is null and void and Customer forfeits any breach of warranty claim that Customer might otherwise have.
- **Manufacturer's Warranty.** EES's warranty applies to EES's workmanship only. EES's warranty does not apply to any manufactured item or product. If a manufacturer's warranty is available and honored by the manufacturer, EESwill, at no cost to the Customer, perform diagnostic work, repair and/or removal of the warranted product for up to: (1) the date of expiration of the manufacturer's warranty for the item in question or (2) one years after the date of system commissioning, whichever occurs first. For major system components, EES will provide Customer with copies of manufacturer's stated warranty. **Exclusion: Wirelesssetup and online monitoring connection and service are excluded from this warranty.**

9. **NO LIABILITY ITEMS.** EES shall not be responsible or liable to Customer for any of the following items:

- Suitability or function of materials and products specified by Customer (whether or not installed by EES)
- Suitability or function of materials and products installed or worked on by another contractor.
- Safeness or function of design(s) furnished by Customer.

Client Initials: _____

- Damage or loss caused by chemical, biological or toxic agents or elements that may be part of any building material utilized by EES.
- Microorganisms, fungus, wet rot, dry rot, soft rot, rotting of any kind, mold, mildew, vermin, termites, insects, rodents, birds, corrosion, rust, radon, radiation, formaldehyde, asbestos, any solid liquid or gaseous pollutant, contaminant, toxin, irritant or carcinogenic substance, and electromagnetic field or emission, including any claim of health risk or uninhabitability based on any of the foregoing.
- Discolorations due to the elements, light, rain runoff, weathering, leaching of salts, bleaching or normal wear and tear.
- EES will not inspect or test for the existence of hazardous substances or materials. EES assumes no responsibility for exposing, disturbing, or otherwise causing any damage as a consequence of EES's work with regard to hazardous substances or materials.
- EES is not liable for property damages caused by EES in the normal course of EES's work due to the poor conditions of Customer's property
- Problems caused by improper care or maintenance including failure to follow EES's or the manufacturer's maintenance recommendations and failure to maintain proper environmental conditions, including proper temperatures and humidity levels.

10. **UNFORESEEN SITE CONDITIONS.** This Agreement and contract price is based on the assumptions that: (1) there are no physical conditions at the site differing from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Agreement; (2) there are no conditions or occurrences at the site that will impede or delay EES in performance of its scope of work; (3) the foundation, structural support and electrical system are all proper and suitable for EES's scope of work; and (4) all conditions in the premises comply with the building code. If any of these assumptions turns out to be incorrect, Customer shall be responsible to fairly compensate EES for all additional work performed by EES that is necessary to complete EES's original scope of work. Customer shall inform EES of the exact location of any items not visible to EES that affect EES's work prior to the time of contract execution.

11. **GROUND MOUNT SYSTEMS.** Customers should check local laws regarding whether ground mount systems are required to be surrounded by a fence. EES provides no representations as to whether such fences are required. If required, the cost of fencing is the Customer's responsibility. If EES installs a groundmount system, EES will attempt to level the ground afterwards, but EES does not guarantee that it will be perfectly level.

Client Initials: _____

12. **DRYWALL REPAIRS.** EES may perform wire and conduit runs. This typically results in damage to the drywall, including walls and ceilings. This damage is expected to occur, and Customer shall bear the cost of its repair. Customer may either contract with EES to perform the drywall repairs or Customer may contract with another party to do so.

13. **BUILDING CODES AND PERMITS.** EES will coordinate with the local AHJ (Authority Having Jurisdiction) for all permits and inspections. In the event that a building department or other government agency requires additional work to be performed, or in the event that EES uncovers or discovers defects or problems in the existing structure which should be corrected to conform to safety requirements or standard construction practices, EES will advise Customer of any changes in the required work and proceed to perform such changes per the Change Order section of this Agreement. If a building permit is required for this project, EES will not commence work until a building permit is secured.

14. **INCENTIVES.** EES bases incentive estimates on information publicly available at the time the proposal is prepared. Future legislative changes may impact incentive payments, rebates, tax credits, or other such rates and EES makes no guarantees as to which incentives, rebates, tax credits, and rates are available to Customer. Customer is advised to consult with a tax advisor, accountant, or other professional for qualifying for incentives, rates, rebates and/or tax credits.

15. **WORK OF CUSTOMER AND OTHERS.** Customer shall not perform any work at the project within the scope of this Agreement until after EES has finished its work and has been paid in full. Customer shall be responsible for all additional costs incurred by EES resulting from the work of Customer. EES is not responsible for any work performed or materials supplied by Customer or other persons or companies hired by Customer. **If anyone other than EES performs or re-performs any of EES's work, then EES shall be relieved of its obligations under this warranty and Customer shall be deemed to have waived the benefits of this warranty.**

16. **OWNERSHIP OF PLANS, SPECIFICATIONS, PHOTOGRAPHS, ETC.** EES shall retain sole and exclusive right and title in and to all designs, design concepts, plans, specifications, methodologies, innovations, formulas, prototypes, techniques and all other works that are conceived, created or developed by EES, either alone or jointly with others, within the scope of or in connection with the services performed by EES concerning this project, in all forms in which they may exist, whether on paper, magnetic or electronic media or otherwise. EES shall have the right to photograph the system, and any part of the installation thereof, and shall have the right to use such photographs in its marketing and advertising materials.

17. **NO TRANSFER OR ASSIGNMENT.** This contract, including the warranty, may not be assigned by either party to any other person or company without the express

Client Initials: _____

written and signed consent of both parties. This prohibition of assignment applies not only to the assignment of rights to compel performance but also to the assignment of any claim or cause of action, including but not limited to claims for breach of contract, breach of warranty, tort and indemnification.

18. **TERMINATION.** If Customer terminates this Agreement without cause prior to completion of EES's work, then in addition to any other damages to which EES may be entitled, EES shall be entitled to its lost profits, which the parties agree shall be a liquidated sum in the amount of ten percent of the portion of the work that has not been completed at the time of termination. For purpose of the preceding sentence, "cause" means that EES has materially breached the contract. EES may terminate this Agreement at any time and for any reason upon two-day written notice to Customer, in which case EES shall be entitled to payment for work performed through the date of termination.

19. **LIMITATION OF REMEDIES AND LIABILITY.** EES shall not be liable for consequential damages, including but not limited to damages incurred by Customer for delays, loss of income or profit, financing, storage, transportation, rental, food, reputation or investigation expenses relating to repair, or any other costs due to loss of use, inconvenience or annoyance. EES's maximum liability to Customer for all damages, including defects, loss, liability and injury and attorney fees and costs arising therefrom (hereinafter in this Section, "Damages") shall not exceed the amount of money Customer paid to EES under this Agreement, except to the extent that said Damages are covered by EES's insurance. These limitations of remedies and liability are reflected in the contract price and/or rates. Prior to commencement of services, increased liability limits may be negotiated upon Customer's written request and agreement to pay additional compensation to EES.

20. **TIME LIMIT TO FILE LAWSUIT.** No lawsuit may be filed against EES as to any claim, known or unknown, arising from this agreement and/or the project at issue, including but not limited to claims of breach of contract, breach of warranty, tort, indemnification, or claims based on equitable principles, unless the lawsuit is filed within one month after the expiration of EES's one-year warranty period.

21. **VENUE.** If a lawsuit is filed concerning this agreement, venue shall be in Davidson County, North Carolina.

22. Any dispute regarding this contract or work performed by EES shall be governed by the laws of the State of North Carolina without regards to its conflict of law principles.

23. **Severability.** Should any provision of this Agreement be declared or be determined by any court of competent jurisdiction to be wholly or partially illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining parts, terms, or provisions shall not be affected thereby, and said illegal, unenforceable, or invalid part, term, or provision shall be deemed not to be a part of the Agreement.

Client Initials: _____

ENTIRE AGREEMENT. This Agreement represents the entire agreement of the parties, and supersedes all prior negotiations, understandings and agreements between the parties, whether oral or written. The parties have not relied on any representation, assertion, guarantee, warranty, collateral contract or other assurance, except those set out in this Agreement, made by or on behalf of any other party or any other person or entity whatsoever, prior to the execution of this Agreement.

Customer Approval

Once you've reviewed the terms above, sign and return this proposal to indicate your approval. This will serve as the installation contract. In addition to a virtual signed copy, you will also receive a hardcopy of this signed Proposal in the mail to keep for your records.

Customer Name (Printed)

Customer's Signature

Date

Client Initials: _____