

Forest Concepts, LLC.
Professional Services General Terms and Conditions

Providing Business and Product Development Consulting Services requires specialized Terms and Conditions that shall govern the services performed under this proposal.

I. PARTIES

- a. FCLLC- Forest Concepts, LLC or its majority owned subsidiaries.
- b. CLIENT – The company, corporation, municipality, agency, organization or individual to whom this proposal is addressed.

II. PROPOSAL

The proposal shall consist of a Statement of Work and a copy of these Terms and Conditions.

III. CONTRACT AGREEMENT

This proposal and any related purchase order shall not constitute a binding contract until it is accepted and signed by both FCLLC and CLIENT.

IV. CHOICE OF LAW

The parties agree that this Agreement will be interpreted under the laws of the State of Washington and venue shall be in King County, Washington.

V. QUOTATION LIFE

This proposal shall remain in effect for a period of thirty (30) days from the date thereof.

VI. SCHEDULING AND INTERRUPTIONS

The schedule included in the Statement of Work is the best estimate of FCLLC based upon information provided by CLIENT and preliminary planning completed by FCLLC. Schedule delays and interruptions are common in product and business development projects. The delivery schedule or completion date incorporated herein shall not be binding if performance is delayed by acts of God (precipitation, drought, fire, earthquake, flood, and the like), labor difficulties, shut-downs, equipment breakdown, unforeseen

development problems or any other cause beyond the control of FCLLC. Delays and interruptions that are a result of actions or inactions of the CLIENT may result in additional charges for consequential costs incurred by FCLLC.

VII. WARRANTY

Professional services will be performed in accordance with generally and currently accepted consulting principles and practices. It is agreed that the work under this Agreement is experimental and/or developmental in nature and therefore neither the results nor the usefulness thereof are warranted by either Party. **NO WARRANTIES OF ANY KIND, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE SHALL APPLY.**

VIII. PERMITS AND LICENSES

CLIENT is responsible for obtaining necessary permits and compliance with all applicable laws and regulations while conducting cooperative research and demonstration activities. In particular, CLIENT must ensure compliance with regulations of fish and wildlife agencies, environmental protection agencies and other federal, state and local agencies that oversee, issue permits or otherwise regulate the contemplated demonstrations and/or installations.

IX. CLIENT FURNISHED FACILITIES AND EQUIPMENT

CLIENT shall provide facilities and equipment as specified in the Statement of Work and in good working condition. In no event will FCLLC be responsible for any delays or damages resulting from non-conforming or otherwise unsuitable equipment or materials furnished by CLIENT. Aside from the responsibility of FCLLC to use reasonable care in protecting and

handling any said equipment and materials furnished by CLIENT. FCLLC shall have no further liability with respect thereto. Any such facilities, equipment, material or tooling furnished by the CLIENT and not consumed in the performance of the Agreement shall be returned to the CLIENT upon completion of all work hereunder in the same condition as received, reasonable and normal wear and tear excepted.

X. FCLLC FURNISHED FACILITIES, MATERIALS TOOLS AND EQUIPMENT

FCLLC shall retain title to all tools, equipment, jigs, fixtures, materials and the like made for or obtained for the furnishing of serviced covered by this Agreement, except for those specified for transfer to the CLIENT in the Statement of Work.

XI. USE OF DATA AND RESULTS

Either party may publish articles, media reports and scientific/technical papers, make presentations and otherwise describe the cooperative project and results without encumbrance, except as limited for purposes of confidentiality or intellectual property protection as defined in Statement of Work. Unless otherwise agreed in the Statement of Work, FCLLC may identify CLIENT as a client and/or customer of FCLLC in its marketing, planning and promotional communications.

XII. INTELLECTUAL PROPERTY

The Work Product(s) of the project shall include written and oral reports, raw data, presentations of results and/or demonstrations.

Copyright for relevant Work Product(s) shall remain with the authoring entity, either FCLLC or CLIENT. The receiving entity shall have an unencumbered right to reproduce and use Copyright Work Products for internal purposes.

Inventions, trade secret improvements to pre-existing FCLLC technologies, product concepts and intangible intellectual properties created by FCLLC, its employees, subcontractors and/or agents will not be considered Work Products and shall be the sole property of

FCLLC, except as defined in the Statement of Work.

During the course of the project it may become necessary for either CLIENT or FCLLC to disclose confidential information to the other party. In such case subject confidential information shall be clearly marked or otherwise identified as confidential. Recipient shall protect the disclosed confidential information by using a high degree of care, but no less than a reasonable degree of care, to prevent the unauthorized use, dissemination, or publication of the confidential information as Recipient uses to protect its own confidential information of a like nature

XIII. INDEPENDENT CONTRACTOR

FCLLC and its employees are acting in the capacity of an independent contractor and not as an employee of the CLIENT.

XIV. NO AGENCY

No Agency is created by this Agreement. Neither party may make representations or warranties on behalf of the other party.

XV. INDEMNIFICATION

Each party agrees to indemnify the other against any and all losses, liabilities, claims for injuries or damages caused by the other related to or in the course of the services rendered pursuant to this Agreement including third party claims except any such losses, claims, damages or liabilities resulting from cooperators' misrepresentations, gross negligence or willful misconduct. This provision shall survive termination of this Agreement.

XVI. LIMITATION OF PROFESSIONAL LIABILITY

FCLLC's liability to the CLIENT shall not exceed the amount of fees paid by or due from CLIENT to FCLLC for professional services rendered under this Agreement. In no event shall FCLLC be liable to CLIENT or anyone else for special, incidental or consequential damages, including, without limitation, loss of profits, revenue or use of capital or claims of customers, whether based on contract, tort, negligence, strict liability or otherwise.

XVII. TERM

The term of this Agreement shall begin upon date of last signature below and will terminate at the end of the project, or earlier upon mutual agreement. Right of publication, limitations of warranty and indemnification in Paragraphs IV, VII, X, XI, XII, XV, XVI, and XIX shall survive termination of Agreement.

XVIII. TERMINATION

Either party may terminate this Agreement at any time without cause upon 30 day written notification to the other party. Immediately upon termination all outstanding fees and expenses owed to FCLLC by the Client will be invoiced and are payable upon receipt.

XIX. PAYMENTS

Unless otherwise agreed, a retainer fee equal to thirty (30) percent of the project budget will be paid at the time of execution of the Agreement. All milestone payments, fees and expenses will be invoiced a) every two weeks for short assignments less than 6 months in

duration, b) monthly for long-term assignments, or at the time of completion for assignments shorter than 14 days. Payments are due and payable upon receipt of invoice. Service charges will accrue at the rate of 1.5 percent per month for unpaid balances owed in excess of thirty days.

XX. COMPLETE AGREEMENT

This written proposal, Statement of Work and General Terms and Conditions shall constitute the entire agreement between the parties. This Agreement shall supercede any prior proposal, discussion or verbal agreements. Any modification to this Agreement shall be put in writing and shall take effect only upon mutual agreement and signing by both parties.

Agreed to by:

Forest Concepts LLC

Company

Date

Date