

as well as for coordinating services hereunder; End-User agrees to keep such information current and up to date.

- (f) This Service Agreement shall remain valid pending normal operation of the Turbine on a continuous basis in accordance with the guidelines as defined in the O&M Manual.
- (g) End-User recognizes that for safety reasons the Turbine will need to be shut off during service. Maintenance will occur during end users normal business hours Monday through Friday. Other service times are subject to published rates per Northern Power's then-current Rate Sheet.
- (h) Services will be provided only if Northern Power determines that the Turbine is safe to service and that the End-User represents that to its knowledge there are no prevailing safety issues that would prevent the Turbine from being serviced by Northern Power or its designee.
- (i) Prior to execution of this Agreement, the End-User will acknowledge its compliance with the O&M Manual and Northern Power or its designee may ask End-User for a Safety Declaration prior to the performance of the services. If such declaration is not furnished, Northern Power will investigate the performance history of the turbine and make a judgment on the "serviceability" of the turbine. Northern Power will promptly notify the End-User of the issues that need to be addressed and reach agreement on a plan to proceed.

3. Safety. END-USER ACKNOWLEDGES THAT, AS WITH ANY SOPHISTICATED INDUSTRIAL MACHINERY, THE TURBINE MAY BE UNSAFE OR EVEN DANGEROUS IF NOT OPERATED WITH DUE CARE AND CONSISTENT WITH THE OPERATIONS AND MAINTENANCE MANUAL PROVIDED BY NORTHERN POWER. UNSAFE OPERATION OF THE TURBINE – INCLUDING BY PROVIDING ACCESS THERETO TO PERSONS OTHER THAN QUALIFIED SERVICE AND MAINTENANCE PROFESSIONALS -- MAY CREATE CIRCUMSTANCES THAT COULD CAUSE SERIOUS INJURY, DEATH, OR PROPERTY DAMAGE. OPERATION OF THE TURBINE OTHER THAN IN STRICT AND FULL COMPLIANCE WITH O&M MATERIALS PROVIDED BY NORTHERN POWER WILL LIMIT OR ELIMINATE THE OPERABILITY OF THE TURBINE AND SHALL VOID THE LIMITED WARRANTY. END-USER ACKNOWLEDGES THAT IT IS END-USER'S SOLE RESPONSIBILITY TO ENSURE SAFE OPERATION OF THE TURBINE.

4. Turbine Monitoring

4.1 If End-User opts for SmartView 24X7 Monitoring, End-User grants Northern Power unconditional access to all information relating to the operation of the Turbine, including electronic access via SmartView to enable Northern Power to provide continuous monitoring of Turbine operation and performance and access to SmartView hardware at the site where the Turbine is located.

4.2 End-User agrees to provide real time internet access only to Northern Power or Northern Power's designated agent. Northern Power agrees to provide monitoring of the operation and performance of the Turbine through its Network Operations Center, using SmartView or other software data collection and analysis..

Signatory initials AKC

5. Confidentiality and Intellectual Property

5.1 End-User expressly recognizes that (i) the software and/or firmware associated with the SmartView remote monitoring system and related user manuals (the "SmartView Software"), (ii) the software and/or firmware associated with the direct drive generator and the power converter and related user manuals (the "Turbine Control" and "Power Electronics Software") used with or included in the Turbine, and (iii) the design of Turbine, including the direct drive generator and the power converter, embody and constitute confidential and proprietary information of Northern Power ("Confidential Information"). Such direct drive generator and power converter, excluding the Turbine Control and Power Electronics Software, are collectively referred to herein as the "Power System." End-User shall not tamper with, disassemble, modify, or reverse engineer any part of the Power System, either supplied by Northern Power as part of a system or as a separate item, nor shall End-User disassemble, reverse compile or reverse engineer any SmartView Software or Turbine Control and Power Electronics Software. End-User acknowledges that the disclosure by End-User of Confidential Information may cause irreparable injury to Northern Power and damages that may be difficult to ascertain. **IN THE EVENT OF THE ACTUAL OR THREATENED DISCLOSURE OF CONFIDENTIAL INFORMATION, NORTHERN POWER SHALL, IN ADDITION TO ANY OTHER RIGHTS OR REMEDIES AND NOTWITHSTANDING SECTION 17 OF THIS AGREEMENT, BE ENTITLED TO INJUNCTIVE RELIEF FROM A COURT OF COMPETENT JURISDICTION TO PROTECT AND RECOVER THE CONFIDENTIAL INFORMATION; NORTHERN POWER RESERVES ALL RIGHTS TO PURSUE AND OBTAIN APPROPRIATE LEGAL AND EQUITABLE REMEDIES FOR ANY VIOLATION OF THIS SECTION 5,** End-User shall not object to the entry of an injunction or other equitable relief against End-User on the basis of an adequate remedy at law, lack of irreparable harm or any other reason.

5.2 Northern Power shall not be required to provide End-User with maintenance, support or updates regarding the Power System and Turbine Control and Power Electronics Software unless End-User opts to purchase RTU Maintenance and TSW Updates as indicated in the Rate Sheet.

5.3 End-User acknowledges that the SmartView Software is not intended to be used as billing software or to otherwise calculate charges or credits for electricity generated by the Turbine. End-User acknowledges that Northern Power has an absolute and unconditional right to monitor the performance of any Turbine, including via SmartView monitoring, and expressly and irrevocably confirms here its permission for Northern Power to do so. End-User acknowledges connectivity to the Internet must be maintained at its expense for any and all monitoring services. Maintaining Internet connectivity is exclusive of temporary power outages beyond the control of the End-User.

5.4 Except for limited usage rights in connection with End-User's operation of the Turbine, this Agreement does not grant to End-User any right, title, or interest in or to Northern Power's intellectual property, other proprietary rights or other information, including, but not limited to, Northern Power's name, trademarks, trade names, trade dress, trade symbols, copyrights, patents, patent applications, inventions, trade secrets, customer lists, product names or designations, processes, designs, or formulas.

5.5 This Section 5 shall survive the termination of this Agreement.

6. On-site Activity

The following conditions shall apply to any on-site Services provided by Northern Power:

6.1 End-User shall provide such assistance as Northern Power may reasonably require to facilitate timely performance of this Agreement. End-User is responsible for support and facilitation

Signatory initials:  _____

by End-User of Northern Power's performance of this Agreement. If Northern Power is unable to perform through no fault of its own or as a result of End-User's failure to cooperate or provide assistance, Northern Power shall be excused from performance. In such event, Northern Power may, at its option, terminate this Agreement or continue to perform to the extent possible, and shall be entitled to an equitable adjustment in purchase price and/or schedule. End-User assistance shall be free of charge to Northern Power and shall include but not be limited to:

- (a) End-User shall provide reasonable security and protection for all persons, property and equipment employed or used by Northern Power.
- (b) End-User shall make available to Northern Power the use of any required utilities, including electrical power, transport and water.
- (c) End-User shall assist Northern Power to obtain access to all necessary roads, railways, pumping stations, power lines, pipelines, canals, and the like.
- (d) End-User shall obtain any permits, licenses, or authorizations necessary to perform this Agreement.

7. Payments

7.1 All prices in the Rate Sheet are in U.S. dollars. Prices do not include any taxes (sales and use, VAT or other), tariffs, import or export duties, shipping, delivery, set fees, which are all payable by the End-User unless specifically listed otherwise. End-User shall pay any and all taxes and charges or provide Northern Power with acceptable exemption certificates before execution of this Agreement and payment of any amounts hereunder.

7.2 End-User shall make all payments, in U.S. (dollars) currency, either:

- (a) U.S. Customers please remit payment via electronic funds transfer to:

Comerica Bank
San Jose, CA 95110
ABA/Routing: 121 137 522
Swift Code: MNBDUS33
Credit Account Name: Northern Power Systems, Inc.
Final Credit Acct No: 1894469616
Currency: USD

Domestic Remit Address for Check Payments:

Northern Power Systems, Inc.
PO BOX 674519
Detroit, MI 48267-4519

- (b) Non-U.S. Customers please remit payment via electronic funds transfer to:

Comerica Bank
San Jose, CA 95110
ABA/Routing: 121 137 522
Swift Code: MNBDUS33
Credit Account Name: Northern Power Systems, Inc.

Signatory initials 



Final Credit Acct No: 1894469608
Currency: USD

7.3 End-User represents and warrants that it has the financial ability to fully perform its obligations under this Agreement. End-User has obtained any commitments, consents or approvals from third parties necessary for End-User to perform hereunder, and such commitments, consents or approvals are binding and non-discretionary. End-User's performance of its obligations hereunder will not violate any agreement or instrument to which End-User is a party or by which its properties are bound.

7.4 End-User shall make all payments due to Northern Power hereunder without deduction, set-off or counterclaim.

7.5 Unscheduled work or events: To be paid within 30 days of service.

8. Term and Termination

8.1 This Agreement will become effective on the date hereof and will remain in effect for the duration of the period specified on the Service Order. Either party may terminate this Agreement at any time upon thirty (30) days' prior written notice as long as no Service Order is in effect at such time.

8.2 Termination.

(a) Upon the failure of either party to remedy a material breach of any of its obligations under this Agreement within 30 days following receipt of written notice of said breach, the other party may terminate this Agreement immediately by written notice and pursue all available remedies for breach.

(b) Either party may terminate this Agreement immediately upon written notice to the other party in the event that (i) the other party is declared insolvent or bankrupt by a court of competent jurisdiction, (ii) the other party becomes involved in a voluntary or involuntary bankruptcy or other insolvency petition or proceeding for the benefit of its creditors, or (iii) this Agreement is assigned by such party for the benefit of creditors.

9. Limitation of Liability

9.1 **NORTHERN POWER SHALL NOT BE LIABLE TO END-USER FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, INDIRECT OR EXEMPLARY DAMAGES ARISING OUT OF THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO LOST PROFITS OR COSTS OF COVER, LOSS OF REVENUE, LOSS OF PRODUCTION, LOSS OF USE OR BUSINESS INTERRUPTION OR THE LIKE, REGARDLESS OF WHETHER NORTHERN POWER WAS ADVISED OR AWARE OF THE POSSIBILITY OF SUCH DAMAGES.**

9.2 **EXCEPT IN CASES OF INJURY TO PERSONS OR PROPERTY CAUSED BY NORTHERN POWER'S NEGLIGENT ACTS OR OMISSIONS, IN NO EVENT WILL THE TOTAL LIABILITY OF NORTHERN POWER ARISING OUT OF THIS AGREEMENT EXCEED THE AMOUNT PAID OR PAYABLE TO NORTHERN POWER FOR SERVICES UNDER THIS AGREEMENT WITH REGARD TO THE TURBINE(S) WITH RESPECT TO WHICH A CLAIM AROSE. THIS LIMITATION OF THE TOTAL LIABILITY OF NORTHERN POWER SHALL APPLY REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, CONTRIBUTION OR OTHERWISE.**

Signatory initials 

10. Dispute Resolution

10.1 Any controversy, dispute or claim between the Parties not settled by mutual agreement (a "Dispute") shall first be submitted to non-binding mediation. In the event the Dispute is not resolved through non-binding mediation it will be resolved by final and binding arbitration. Any controversy, Dispute or claim between the Parties not settled by mutual agreement will be resolved by final and binding arbitration in Burlington, Vermont, USA in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), and governed by the substantive laws of the State of Vermont, without regard to conflicts-of-laws rules, and by the Federal Arbitration Act (Title 9, U.S. Code).

10.2 THE PARTIES KNOWINGLY AND VOLUNTARILY WAIVE THEIR RIGHTS TO HAVE ANY DISPUTE TRIED AND ADJUDICATED BY A JUDGE OR A JURY.

11. General Provisions

11.1 No action, failure of action or delay by either party will constitute a waiver of any of its rights or remedies under this Agreement. The waiver of a breach of any provision does not constitute a waiver of a subsequent breach of the same or different provision.

11.2 Northern Power is an independent contractor. End-User and Northern Power are not, and will not be, joint venturers, partners, agents, servants, or employees or fiduciaries of the other, and do not have the power to bind or obligate the other.

11.3 The rights and liabilities of the parties under this Agreement are governed in all respects by the laws of the State of Vermont, without reference to or application of its conflicts of law provisions.

11.4 This Agreement may not be amended, modified or altered except in writing signed by both Parties. If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

11.5 Any preprinted terms and conditions contained in any Service Order or other similar document shall be null and void and have no force in modifying the terms of this Service Agreement.

11.6 Any correspondence relating hereto shall be directed to the address indicated for the respective parties on the signature page of this Agreement.

11.7 End-User may not assign its rights and obligations hereunder without the prior written consent of Northern Power, which will be in Northern Power's sole discretion but not to be unreasonably withheld. Northern Power may freely assign its rights hereunder to a service provider authorized by Northern Power. The rights and obligations under this Agreement will inure to the benefit of, and be binding upon, the parties hereto and their respective heirs, administrators, executors, personal representatives, successors and permitted assigns.

11.8 This Agreement may be executed by the Parties in counterparts, including counterparts executed and delivered via facsimile, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

Signatory initials





IN WITNESS WHEREOF, the Parties have caused this Extended Service and Monitoring Agreement to be executed by their duly authorized representatives as of the date first written above.

Northern Power Systems, inc.

[End User Entity]

By: *William Aldrighetti*
signature

By: *Ann K Capela*
signature

Name: William Aldrighetti
print/type

Name: Ann K CAPELA
print/type

Title: Customer Operations Mgr Americas/Asia

Title: CITY MANAGER

Date: 3-24-2016

Date: 03-11-2016

*Duplicate notice to
CITY ATTORNEY'S OFFICE
PO Box 1388
Bethel AK 99559
(907) 543-1385
(907) 543-2936 (fax)*

End User Address for Notices:
*City of Bethel
Attn: CITY MANAGER
PO Box 1388
Bethel AK 99559
Attention:
Phone: (907) 543-2297
Fax: (907) 543-1394*

Service and Maintenance Agreement Order Form

Turbine Serial Number: 00078

Service Program Type: Full Coverage

Term of Service: 5Yr Commencing on date: 03-09-2016

Price per Term: \$ Total Contract Price: \$26500.00

*Annual Maintenance to be performed in Q3 2016
Standard warranty expires on 07-01-2016*

Signatory initials *AK*

Service and Monitoring Agreement Rate Sheet

Description of Services for Turbines no longer under Warranty:

SmartView® Monitoring: NPS 24x7 turbine monitoring option ensures that your turbine is being watched for conditions that cause shutdown of the turbine. Monitoring includes both analyzing and clearing faults that can be safely reset, and notification of conditions that require intervention. This service is included when you have an active warranty agreement. However, when your warranty expires we no longer monitor your turbine unless a new monitoring agreement is in place.

Remote Terminal Unit (RTU) Maintenance and Turbine Software (SW) updates: This service ensures you are up-to-date with the best turbine software for your application, designed to maximize availability, performance, and safety. In addition, should your RTU have a component failure, Northern will cover the cost of a replacement RTU for only the cost of shipping. This service is also covered for those on standard or extended warranty.

Remote/phone support: Designed to go hand-in-hand with onsite basic training, we provide remote phone support for the duration of the agreement at a fixed cost. When a turbine is down for whatever reason, we can provide live support while your designated in-house Operations & Maintenance, Site engineer or delegate of your choice works to resolve any issues.

Full Coverage: For those end-users without staff suitable for working on your turbine, our full service maintenance package ensures annual maintenance is performed by a certified NPS service provider for a fixed annual cost. This option comes with the added benefit of a 20% parts discount for parts required to fix the turbine outside of the regularly scheduled annual maintenance cycle.

Preventive maintenance: For those end-users without staff suitable for working on your turbine, our preventive maintenance package ensures annual maintenance is performed by a certified NPS service provider for a fixed annual cost. (Price quote available upon request)

Onsite Basic Training: For larger facilities with technically capable full time maintenance staff, we offer one-time on-site basic training for 3-8 participants that includes instruction on how to replace the majority of components in the turbine as well as how to self-perform annual maintenance. If you or your staff are qualified industrial climbers, this training can help customers improve profitability by reducing the labor cost of maintenance and on-site troubleshooting. (Price quote available upon request)

Description of Services, Turbines under Warranty:

Preventative Maintenance Package: As part of the standard and/or extended NPS warranty the following are automatically included in the Preventative Maintenance Package: SmartView 24x7 Monitoring & Reporting, Maintenance and Turbine SW updates, Remote/Phone Support. The Preventative Maintenance Package adds all annual scheduled maintenance for the contract period. The addition of a PM Package to an optional 3 Yr. extended warranty purchased as part of the original turbine sale provides the maximum value and protection to turbine performance.

All Services Pricing subject to change

Signatory initials



